Financial Statements with Supplemental Schedules as of and for the Years Ended December 31, 2012 and 2011 and Independent Auditors' Report



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of The LIVE**STRONG** Foundation:

We have audited the accompanying financial statements of The LIVE**STRONG** Foundation (the "Foundation") which comprise the statements of financial position as of December 31, 2012 and 2011, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Affiliated Company

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2012 and 2011, and the changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of program expenses and schedule of grant history are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

June 28, 2013

maxwell Joche+ Aitter LLP

STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2012 AND 2011

		2012		2011
ASSETS				
Cash and cash equivalents	\$	38,514,471	\$	38,349,878
Investment securities		47,913,925		42,750,381
Promises to give, net		3,944,485		4,942,119
Accounts receivable, net		5,424,744		7,970,960
Grants receivable		38,201		86,043
Prepaid expenses and other assets		1,167,706		1,160,633
Intangibles		756,809		564,404
Inventory		2,259,901		1,799,010
Property and equipment, net		11,857,247		11,925,088
TOTAL ASSETS	\$	111,877,489	\$	109,548,516
LIABILITIES AND NET ASSETS LIABILITIES:				
Accounts payable and accrued expenses	\$	1,760,837	\$	2,664,092
Grants payable, net	Ψ	2,231,821	Ψ	2,605,206
Deferred revenue		1,236,920		905,301
Total liabilities		5,229,578		6,174,599
NET ASSETS: Unrestricted: Undesignated		75,809,889		77,669,589
		, ,		, ,
Board-designated		11,157,406		11,157,406
Total unrestricted		86,967,295		88,826,995
Temporarily restricted		8,376,417		4,706,791
Permanently restricted		11,304,199		9,840,131
Total net assets	_	106,647,911		103,373,917
TOTAL LIABILITIES AND NET ASSETS	\$	111,877,489	\$	109,548,516

See notes to financial statements.

STATEMENTS OF ACTIVITIES YEARS ENDED DECEMBER 31, 2012 AND 2011

		2012		2011
UNRESTRICTED NET ASSETS:				
Revenues:				
Contributions	\$	10,665,285	\$	15,875,592
Grant revenue		411,165		495,761
Program merchandise and services		4,085,572		5,318,246
Program merchandise and services - promotional cost		(1,496,287)		(2,104,955)
Special event revenues		8,767,286		8,987,228
Cost of direct benefits to donors		(1,169,225)		(760,276)
Investment income (loss), net		4,556,669		(457,841)
Royalties and licensing fees		10,311,943		15,790,866
Total net revenues		36,132,408		43,144,621
Net assets released from restrictions		5,635,437		5,444,256
Total net revenues and net assets released from restrictions		41,767,845		48,588,877
Expenses:				
Program services		36,722,798		28,966,506
Fundraising		5,201,229		3,937,142
Management and general		1,703,518		2,089,130
Total expenses		43,627,545		34,992,778
Change in unrestricted net assets		(1,859,700)		13,596,099
TEMPORARILY RESTRICTED NET ASSETS:				
Contributions		9,305,063		3,167,030
Net assets released from restrictions		(5,635,437)		(5,444,256)
Change in temporarily restricted net assets		3,669,626		(2,277,226)
PERMANENTLY RESTRICTED NET ASSETS:				
Contributions		438,071		1,351,898
Investment income, net		1,025,997		97,585
			-	
Change in permanently restricted net assets	_	1,464,068	-	1,449,483
CHANGE IN NET ASSETS		3,273,994		12,768,356
NET ASSETS, beginning of year		103,373,917		90,605,561
NET ASSETS, end of year	\$	106,647,911	\$	103,373,917

See notes to financial statements.

STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2012 AND 2011

		2012		2011
CASH FLOWS FROM OPERATING ACTIVITIES:	Ф	2 272 004	Ф	10.760.056
Change in net assets	\$	3,273,994	\$	12,768,356
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Change in allowance for uncollectible promises and				
discount on long term promises to give		(160,685)		(210,769)
Depreciation		708,033		589,117
Unrealized and realized (gain) loss on securities, net		(3,406,344)		2,385,075
Contributions restricted for long-term investment		(438,071)		(1,351,898)
Investment income restricted for long-term investment		(1,025,997)		(97,585)
Change in assets and liabilities that provided (used) cash:		()))		(> 1,0 00)
Promises to give		1,158,319		3,450,345
Accounts receivable		2,546,216		(4,436,331)
Grants receivable		47,842		(77,844)
Prepaid expenses and other assets		(7,073)		(553,136)
Inventory		(460,891)		1,583,990
Intangibles		(192,405)		-
Accounts payable and accrued expenses		(882,596)		(210,437)
Grants payable		(373,385)		564,255
Deferred revenue		331,619		76,498
Net cash provided by operating activities		1,118,576		14,479,636
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of property and equipment		(660,851)		(773,055)
Proceeds from sale of investments		445,606		84,733
Purchase of investments		(2,202,806)		(2,179,729)
Net cash used in investing activities		(2,418,050)		(2,868,051)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Contributions restricted for long-term investment		438,071		1,351,898
Investment income restricted for long term investment		1,025,997		97,585
Net cash provided by financing activities		1,464,068		1,449,483
NET CHANGE IN CASH AND CASH EQUIVALENTS		164,593		13,061,068
CASH AND CASH EQUIVALENTS, beginning of year		38,349,878		25,288,810
CASH AND CASH EQUIVALENTS, end of year	\$	38,514,471	\$	38,349,878
SUPPLEMENTAL CASH DISCLOSURES:				
Supplemental schedule of noncash investing activities-				
Acquisition of property and equipment with accounts payable	\$	11,091	\$	31,750

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2012 and 2011

1. ORGANIZATION

The Lance Armstrong Foundation was incorporated on January 9, 1997 as a non-profit organization. On October 30, 2012 the Lance Armstrong Foundation changed its name to The LIVE**STRONG** Foundation ("the Foundation"). The Foundation is dedicated to enhancing the quality of life for those living with, through and beyond cancer by supporting scientific research, educational community programs and in public awareness efforts.

Program Services:

Mission

These include grants for cancer survivorship research; grants to community programs; delivery of cancer survivorship education, information, and referral and support services; and grants to survivorship centers at academic medical institutions. The Foundation is committed to ensuring that each and every individual affected by cancer has the opportunity to achieve the highest quality of life possible. To that end, the Foundation works tirelessly to ensure that the issues affecting cancer survivorship are addressed by organizations and entities around the nation so that the needs of the approximately 12 million cancer survivors in the United States are met. The Programs Department funds a wide range of initiatives across the country in partnership with leading academic, community and advocacy organizations to ensure it is fulfilling its mission.

Grants and Partnerships

Research Program - The opportunity to support research that is patient-centered remains a high priority of the Foundation. While the Foundation did not formally release an original Request for Proposal and fund new research grants in 2012, it continued to monitor 14 active grants from past grant cycles that address key recommendations from the *National Action Plan on Cancer Survivorship* and the reports of the Adolescent and Young Adult Oncology Progress Review Group.

The Foundation's research program is unique in its position to hear and respond to the voices of people affected by cancer from several levels, whether from constituents who follow the Foundation online, to individuals who join the Foundation at public events, or from those who simply call the Foundation, looking for help and support. In 2012, the Foundation made progress with research on several fronts. The Foundation fielded the third version of the LIVESTRONG Survey to understand the experiences of all people diagnosed with cancer - specifically focusing on the practical issues after cancer treatment. The survey closed on December 31, 2012, and in 2013 the Foundation will work on creating reports to share the findings. The data from this survey will be used throughout the year to directly inform the services the Foundation provides through the navigation services. Additionally, the Foundation will use the survey results to advocate for continued health policy changes to support people affected by cancer across their entire cancer journey. In addition to this study, the Foundation also continued work on research studies of our navigation services and Promotores training program.

<u>LIVESTRONG</u> Survivorship Center of Excellence Network - The Foundation has supported the work of survivorship centers since 2000. These centers historically worked autonomously and served both pediatric and adult survivors. In 2005, the Foundation launched a new initiative to create and maintain a network of survivorship centers to foster collaboration among centers and further the impact on cancer survivorship. Only pre-selected NCI-designated Comprehensive Cancer Centers are invited to apply for funding and each must collaborate with community-based hospitals. The Foundation also works with the Network Centers on collaborative research projects in the area of survivorship.

Network members:

- Abramson Cancer Center, University of Pennsylvania Philadelphia, PA
- Dana-Farber Cancer Institute Boston, MA
- Fred Hutchinson Cancer Research Center Seattle, WA
- Memorial Sloan-Kettering Cancer Center New York City, NY
- UCLA's Jonsson Comprehensive Cancer Center Los Angeles, CA
- University of Colorado Cancer Center Denver, CO
- University of North Carolina Lineberger Comprehensive Cancer Center Chapel Hill, NC

<u>Community Program</u> - The Foundation funds initiatives that address cancer survivorship issues through the Community Program. The relationship between the Foundation and an organization funded through the Community Program begins with a grant of financial support through a competitive grant cycle, but goes on to encompass much more through technical and capacity-building support. During 2012, the Community Program offered 90 one-year replication awards through the Community Impact Project, and supported more than 40 cancer focused conferences.

The Foundation's Community Impact Project offered the opportunity to replicate evidence based programs in communities across the United States. The Foundation selected the following 4 programs for replication:

- <u>The Creative Center</u> Artist in Residence Program, the foundation provided grants to start art programs in 20 cancer centers and hospitals.
- <u>LIVESTRONG</u> at the <u>YMCA</u> An evidence-based physical activity and wellness program for people affected by cancer. In partnership with the <u>YMCA</u> we offered grants to 30 <u>YMCA</u>'s to start this program.
- <u>Center for Advanced Palliative Care</u> In partnership with the Joint Commission and Mt. Sinai Medical School the foundation offered 20 grants to cancer centers and hospitals interested in seeking Advanced Certification in Palliative Care.
- <u>Pillars4Life</u> A virtual based support program for cancer survivors facilitated by masters level social workers via online and phone support, the foundation provided 20 grants for cancer centers to offer this program in their community.

These 4 programs, through the Foundation's support, will offer direct and indirect support and training to tens of thousands of survivors. Sites for replication were chosen based on an online voting process, where constituents were able to vote for more than 200 programs vying for the awards (over 453,000 votes were cast over a two-week period). In addition to funding programs and offering grants, the Community Program also manages certain aspects of engagement within the organization and external organizations. In 2012, the Community Program engaged over 500 hospitals and cancer centers with the Foundation's mission and resources, along with nearly 300 cancer focused community based organizations.

<u>LIVESTRONG</u> at the <u>YMCA</u> - The Foundation and the <u>YMCA</u> have partnered to create <u>LIVESTRONG</u> at the <u>YMCA</u>, an evidence-based physical activity and wellness program for people affected by cancer. The program is currently available in more than 200 communities and over 260 branches nationwide. Since initiation of the program, over 12,000 individuals have been served.

In addition to further dissemination of the LIVESTRONG at the YMCA program, the Foundation is committed to spread the program to 30 additional cities in 2013 and continuing to implement additional program opportunities for YMCA sites. These programs include the childcare program, implementation of LIVESTRONG at School within YMCA after school and summer programs and exploration into culturally-competent strategies for a Hispanic/Latino version of LIVESTRONG at School.

<u>Hispanic/Latino Outreach and Education</u> - In 2012, the Foundation continued to provide culturally and linguistically appropriate information to Hispanic/Latinos affected by cancer. During 2012, the Foundation served 1,542 Hispanic/Latinos through LIVE**STRONG** Navigation Services and disseminated over 27,000 resources designed for the Hispanic/Latino audience.

In 2012, the Foundation continued our successful outreach efforts to Hispanic/Latinos through radio, television, print and online outlets. Additionally, we created a Spanish PSA that highlights the common concerns of Hispanic/Latino cancer survivors and encouraged viewers to contact LIVESTRONG navigation services for support.

The Foundation continued to expand the network of LIVE**STRONG** certified Promotores through partnerships with local and national community-based organizations, as well as through the Community Impact Project. In 2012, the Foundation trained 484 Promotores through in-person trainings as well as online. 98% of the participants reported an increased confidence in their ability to serve cancer survivors in their community.

Five (5) individuals were selected to serve as LIVE**STRONG** Promotores Mentors. These mentors offered additional support and guidance to individuals who completed the LIVE**STRONG** Promotores training and also hosted LIVE**STRONG** presentations and trainings that increased awareness and access to our resources. The foundation also developed and hosted over 6 webinars offering ongoing support and education to LIVE**STRONG**-certified Promotores.

The Foundation conducted an extensive evaluation on the impact of the work of LIVE**STRONG**-trained Promotores at 3 and 6 months post training. Through this evaluation, the Foundation received feedback on how to improve the Cancer Survivorship Training Curriculum for Promotores, and due to the feedback, added a new section to the training. This new section will provide Promotores with additional support on how to apply the training material and information in their outreach efforts.

<u>LIVESTRONG</u> at School - Offers a curriculum of online lessons for grades K-12 to help school professionals talk with students about cancer in a way that is age-appropriate, inspiring and empowering. To date, the Foundation has engaged approximately 1.7 million students in the fight against cancer and has reached approximately 134,000 teachers through the partnership with Scholastic, Inc. In 2012 alone, LIVESTRONG at School reached approximately 34,000 teachers and 300,000 students. Also, at the end of 2012 the Foundation began an intensive evaluation of the LIVESTRONG at School curriculum with a partner organization, which will conclude in 2013. The Foundation's work to support educators and students in the fight against cancer has been published in Cure, LIVESTRONG Quarterly and the Journal of Cancer Education.

<u>LIVESTRONG</u> Young Adult Alliance - Each year, nearly 70,000 young adults between the ages of 15 and 39 are diagnosed with cancer. In contrast to those younger and older, survival rates for young adults have not increased since 1975, possibly due to factors such as lack of insurance, less participation in clinical trials and delayed diagnoses.

Background

In November 2006, the Foundation and the National Cancer Institute (NCI) formed the first ever public-private partnership of its kind to address the needs of adolescents and young adults diagnosed with cancer. Together, they sponsored the AYA Oncology Progress Review Group (AYAO PRG). The AYAO PRG was comprised of oncology experts who were charged with reviewing the science to address the research and cancer care needs of adolescents and young adults. This resulted in a national agenda to improve cancer prevention, detection, diagnosis, treatment and outcomes for these patients. The report, Closing the Gap: Research and Care Imperatives for Adolescents and Young Adults with Cancer, was printed August 2006 and addressed 5 recommendations to improve survival rates and quality of life for AYAs.

The Alliance was developed simultaneously to the AYAO PRG and became the organized structure to address the recommendations of the PRG Report. The Alliance was a coalition of organizations that included universities and academic medical centers, cancer centers, community hospitals, professional societies, nonprofit and advocacy groups, and liaison members from government agencies, such as the NCI and the Centers for Disease Control and Prevention (CDC).

In response to the AYAO PRG Report, the Alliance published a 5-year implementation plan "Closing the Gap: A Strategic Plan" (www.livestrong.org/pdfs/LAF-YAA-Report-pdf) to address and accomplish the recommendations set forth. The Strategic Plan was the basis of the work performed by the Alliance, its members, NCI, and the Foundation, from November 2006 through November 2011.

Moving forward

Due to the tremendous growth of the AYAO movement and the significant progress made by the Alliance at the end of the 5-year Implementation Plan, which ended in November 2011, the Alliance has created a coalition separate from the Foundation. This new alliance will continue to focus on serving AYAs diagnosed with cancer.

To help establish the new entity, the Foundation granted seed money in 2012 and hired an interim executive director to lead the charge. The Foundation expects to continue its support through the end of 2014. In addition to its support of the new alliance, the Foundation will continue to invest internally in AYAO-related work.

The new entity, CRITICAL MASS: The Young Adult Cancer Alliance, has a mission to increase survival rates, quality of life, and ensure access to the best medical and psychosocial resources for AYAs diagnosed with cancer.

Professional Education

The LIVE**STRONG** Foundation collaborates with partners, including participation in planning and development of course outlines and sponsorship of continuing education courses.

Since 2009, the American Society of Clinical Oncology (ASCO), Conquer Cancer Foundation, and the LIVE**STRONG** Foundation, utilizing partial funding from a CDC grant, have partnered to develop and offer *Focus Under Forty*, an education curriculum for healthcare professionals. Nine courses were launched during 2011, and two additional CME courses were added in 2012. This curriculum series is designed to build awareness of and provide training to address the challenges and unique issues involved in treating adolescent and young adults (AYAs ages 15-39) who have been diagnosed with cancer. Courses are offered free, online through ASCO University and through free podcasts on iTunes University.

The *Focus Under Forty* curriculum topic areas include cancer care, supportive care, role of the primary care provider, survivorship, diagnosis, treatment, fertility preservation issues for males and females, clinical trials, melanoma, breast cancer, and Hodgkin lymphoma. During 2012, outreach expanded greatly over the prior year, with 7,438 healthcare professionals participating in at least one course of the *Focus Under Forty* curriculum.

During 2012, ASCO and the LIVE**STRONG** Foundation also offered an opportunity to four professional organizations to join the *Focus Under Forty* initiative as educational partners. This included collaboration in the new course content development process, identification of faculty for new courses, and outreach to their respective organizations' membership around the curriculum series.

The educational partners for the *Focus Under Forty* initiative now include:

- LIVE**STRONG** Foundation
- American Society of Clinical Oncology
- Conquer Cancer Foundation
- American Society of Pediatric Hematology Oncology
- Association of Physician Assistants in Oncology
- Commission on Cancer of the American College of Surgeons
- Critical Mass: The Young Adult Cancer Alliance

During 2012, the LIVE**STRONG** Foundation offered free, accredited nursing education through collaborative sponsorships with two continuing education providers: Nurse Oncology Education Program (NOEP.org), which is affiliated with the Texas Nurses Association; and Nurse.com, a Gannett Company. Partnerships developed and offered continuing education ("CE") opportunities around best practices for cancer care at no cost to nurses and other healthcare professionals.

- At the Crossroads: Cancer in Ages 15-39 is a 1-contact hour accredited CE video course for nurses about the unique issues faced by AYAs with cancer. NOEP and the LIVESTRONG Foundation reaccredited and continued to offer this course recognizing that nurses, no matter the field of practice, can positively impact treatment of adolescents and young adults affected by cancer. The videos are also available on NOEP's YouTube channel for those viewers not in need of CE. During 2012, 1,850 nursing professionals took the AYA CE course for credit. Of these, 87% indicated that they were more likely to consider cancer in a differential diagnosis of an AYA after taking the course.
- Advancing Care: Cancer in Hispanic/Latino Populations is a 1-contact hour accredited CE video course about cancer issues experienced in the Hispanic/Latino population. This course launched in July 2012, and 699 nurses completed the course by December 2012. More than 90% of the nurses indicated that they gained increased awareness of the specific needs of this population following a cancer diagnosis from this course.
- During 2012, a total of 14 accredited nurse CE webinar courses (11 online live/captured webinars and 3 print courses published in Nurse.com publications) were sponsored by the LIVE**STRONG** Foundation and offered at no cost through Nurse.com. During this one-year period, more than 77,000 CE tests were taken by 36,866 unique test takers. There were three initiatives focusing CE course topics around the issues of 1) Men and Cancer, and 2) Good Health in the Hispanic/Latin Community, and 3) Cancer Pain.

<u>LIVESTRONG</u> SmartBrief - In August 2012, the LIVESTRONG Foundation partnered with SmartBrief to launch the LIVESTRONG SmartBrief, a free, weekly email newsletter designed specifically for healthcare professionals. Content focuses on emerging trends, health policy and cancer research, patient-centered cancer care information and more. As of December 2012, 575 healthcare professionals had subscribed to this publication.

Direct Services

<u>LIVESTRONG</u> Navigation Services - LIVESTRONG navigation services are for anyone affected by cancer, including the person diagnosed with cancer as well as their loved ones and health care professionals. At any point in a survivor's cancer experience, the Foundation provides free, one-on-one, confidential, professional support with:

- Emotional and peer support.
- Financial, insurance and job concerns.
- Clinical trials matching.
- Fertility preservation risks and options.
- Learning more about cancer diagnosis and treatment options.
- Connecting to local resources.

In addition to direct support with cancer needs, the LIVE**STRONG** Cancer Navigation Center provides educational resources that help survivors cope with their diagnosis, including the offering of educational classes and discussion forums. In addition, the Foundation provides information, tools and training opportunities to help healthcare provides effectively care for cancer patients. All services provided by navigation services are available in English and Spanish, Monday through Friday during regular business hours (9-5pm CT).

Throughout 2012, over 580,000 services and tools were accessed. This includes those provided through navigation and accessed via online and print materials. A few highlights of 2012 include:

- Saved clients approximately \$5.9 million through negotiation of discounts, maximization of available medication programs and overturned denials from insurance companies.
- Helped more than 15,100 individuals, connecting them to an average of 11 services per client.
- Distributed more than 169,000 Living After Cancer Treatment brochures and LIVESTRONG Guidebooks.
- Served 1,233 Austin area clients.

Advocacy, Government Relations and Health Policy

<u>LIVESTRONG</u> Day - Each year, the Foundation invites supporters to participate in <u>LIVESTRONG</u> Day, a one-day initiative to unite people affected by cancer. The goal is to raise awareness for the cancer fight and to show support for people affected by cancer around the world.

In 2012, the Foundation held a campaign to create the largest one-day demonstration of support for cancer survivors over social media. Outreach included online advertising, an email series and social media, resulting in:

- 107,000+ messages of support.
- 83% of these messages on Facebook.
- #livestrongday trended on Twitter.

<u>Advocacy Coalitions</u> - The Foundation participates as a member of a number of cancer advocacy coalitions including the One Voice Against Cancer coalition and the Cancer Leadership Council in Washington, D.C. In addition, the Foundation is a member of The Non-Communicable Disease Alliance ("NCD Alliance").

Policy and Government Relations - The primary focus of 2012 was establishing cancer as a priority at the global, federal and state level. The Foundation worked with the NCD Alliance to develop a set of global targets as agreed at the first-ever United Nations meeting on cancer and other non-communicable diseases (NCDs). Collective outreach and recommendations resulted in the establishment of a global target to reduce premature mortality from cancer and other NCDs by the year 2025. A draft global action plan also has been developed, including a number of disease-specific targets relevant to cancer prevention, diagnosis, treatment, and care. In addition, the Foundation encouraged US government leadership to promote bilateral and multilateral programs that leverage existing resources to address the global cancer burden. The Foundation, through advocacy coalitions, worked to sustain resources for federal and state cancer programs. The Foundation also supported the California Cancer Research Act (Prop 29) - an initiative that would have created an \$800 million fund for cancer research and programs in California by increasing the state cigarette tax by \$1. In June, this state ballot measure fell 24,000 votes short of passage out of 5 million votes cast.

<u>International Program</u> - The Foundation combines global advocacy with local action.

Together with partners, the Foundation is working to:

- Increase awareness of cancer as a priority among policy makers.
- Improve access to care for cancer survivors around the world.
- Empower people to engage in the fight against cancer.

Anti-Stigma Initiative - In 2012, the Foundation successfully concluded our pilot of the Anti-Stigma Initiative nationally in Mexico with implementing partner, John Snow, Inc. Through a mass media campaign which shared the stories of Mexican cancer survivors, and a focused educational outreach effort in Guadalajara, Mexico City, Nezahualcoyotl, and Mérida, the initiative changed myths and misperceptions around cancer and encouraged a dialogue about the disease. Results include:

- 103 million media impressions (80 million households) per month over a three months period for TV survivor story PSAs.
- 92 million media impressions per week for radio survivor story PSAs for 21 weeks.
- 857,060 people were impacted by messages and materials on the *Comparte tu Historia* Facebook page per month over 8 months.
- Trained 244 participants and 46 trainers on "Basics of Cancer Stigma and Survivorship".
- Held 10 community events in one year. In particular we reached over 7,500 people through the World Cancer Day special event and created a new Guinness World Record through the human wristband.
- 76% exposed to the campaign said they learned something new about cancer.
- 70% exposed to the campaign said it influenced them to talk more openly about cancer.

Patient Empowerment Project (PEP) - In 2012, the Foundation launched the Patient Empowerment Project (PEP) in collaboration with American Cancer Society and Japan's premier health policy and advocacy organization, Health and Global Policy Institute (HGPI). PEP was designed to leverage the patient voice to bring visibility to gaps in cancer control and raise awareness within the population of cancer patient needs and experiences. The Foundation is providing technical assistance and training to our local partners empowering them to raise awareness among policymakers, the general public, healthcare providers, and the media about the challenges that cancer patients face.

- Local partners have launched a public campaign with the tagline "Over Cancer Together" to empower patients to become cancer control advocates and utilize their voices to engage in the policy making process.
- A Patient Forum, or a multi-stakeholder meeting addressing quality of life and survivorship issues in Japan, has been planned for December of 2013. The Forum will bring together media, NGOs, advocates, and representatives from the health sector and government to hear patient stories, and dialogue in order to build grassroots momentum around key cancer issues in the country.
- The outcome of the Campaign and Patient Forum will be a comprehensive, patient-informed national call to action which will contribute to efforts to address the burden of cancer in Japan and grow the cancer patient advocacy movement.

This marks the third country where the Foundation brings the Patient Empowerment Project in the last 3 years.

2. SUMMARY OF SIGNIFICANT ACCCOUNTING POLICIES

Basis of Presentation - The financial statements are presented in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") as defined by the Financial Accounting Standards Board Accounting Standards Codification.

Contributions - Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets or if they are designated as support for future periods. When a donor restriction expires, assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support. Permanently restricted net assets are maintained by the Foundation in perpetuity.

The Foundation reports gifts of goods and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Accounts Receivable - Accounts receivable are recorded at the value of the revenue earned. Delinquent account receivable invoices do not accrue interest. The Foundation continually monitors each customer's credit worthiness individually and recognizes allowances for estimated bad debts on customer accounts that are no longer estimated to be collectible. The Foundation regularly adjusts any allowance for subsequent collections and final determination that an account receivable is no longer collectible.

Shipping and Handling - The Foundation imparts a shipping and handling charge on merchandise sold on its website. The rate is progressive with respect to the dollar value of an order. At month end, the amount received for shipping and handling is netted against the amount paid for shipping and handling and any difference is recorded as promotional cost.

Donated Services - A substantial number of volunteers have donated approximately 153,908 and 175,920 hours to the Foundation's program services and fundraising campaigns during the years ended December 31, 2012 and 2011, respectively. These donated services are not reflected in the financial statements since the services do not require specialized skills.

Use of Estimates - The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents - The Foundation considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Inventory - Inventory consists of program merchandise which includes finished goods and work-in-progress and is stated at lower of cost or market on a first-in, first-out basis.

Grants - Revenue from grants received from federal and state governments is earned based on the Foundation incurring allowable costs or providing services. Therefore, revenue is recognized as those costs are incurred or the services are provided.

Concentrations - Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and cash equivalents, investments and receivables. The Foundation places its cash and cash equivalents with a limited number of high quality financial institutions and may exceed the amount of insurance provided on such deposits. Management believes no significant risk exists with respect to cash and cash equivalents. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the near-term could materially affect the amounts reported in the statement of financial position. Management does not believe a significant concentration of risk exists.

Receivables consist of accounts receivable, grants receivable and promises to give. At December 31, 2012, balances due from four donors represented 63% of the total receivables balance. At December 31, 2011, balances due from three donors represented 50% of the total receivables balance.

Fair Value Measurements - Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value accounting requires characterization of the inputs used to measure fair value into a three-level fair value hierarchy as follows:

- Level 1 Inputs based on quoted prices in active markets for identical assets or liabilities.

 An active market is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2 Observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.
- Level 3 Unobservable inputs that reflect the entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value: 1) market approach - uses prices generated by market transactions involving identical or comparable assets or liabilities, 2) cost approach - uses the amount that currently would be required to replace the service capacity of an asset (replacement cost), and 3) income approach - uses valuation techniques to convert future amounts to present amounts based on current market expectations.

Investments - Investments in marketable securities with readily determinable fair values are valued at their fair value in the statements of financial position. Unrealized gains and losses at December 31, 2012 and 2011 are included in the changes in net assets. Realized gains and losses are determined by the specific identification method.

The limited partnership investment consists of an investment in TIFF Private Equity Partners ("TPEP") 2005, a limited liability company, which is accounted for under the equity method of accounting. The Foundation has accounted for their investment in TPEP 2005 under the equity method by recording their respective share of earnings or loss.

Property and Equipment - Property and equipment acquisitions are capitalized at cost if purchased and at fair market value at the date of receipt if donated. The Foundation capitalizes all acquisitions of property and equipment in excess of \$1,000 and a useful life of more than one year. Depreciation expense is calculated using the straight-line method and the following estimated useful lives:

Building 30 years Furniture, fixtures and equipment 3-7 years

Intangibles - Intangibles consist of trademarks and licenses purchased which have an indefinite useful life. The Foundation evaluates indefinite-lived intangible assets for impairment annually on December 31, or more frequently if impairment indicators arise.

Board-Designated Net Assets - The Foundation has board designated net assets of \$2,000,000 and endowment designated net assets of \$9,157,406. These ensure that adequate operating reserves are available and cannot be spent without prior board approval.

Functional Expenses - The expense information contained in the statements of activities is presented on a functional basis. Accordingly, certain expenses are allocated between functional categories.

Deferred Revenue - Deferred revenue consists of cash that has been received for future events and will be recognized once the event has taken place.

Advertising Costs - Advertising costs are expensed as incurred. Advertising expense for the years ended December 31, 2012 and 2011 was \$5,061,103 and \$3,916,427, respectively.

Income Taxes - The Foundation is a non-profit corporation that is tax-exempt under Section 501(c)(3) of the Internal Revenue Code; therefore, no provision is made for federal or state income taxes.

Reclassifications - Certain amounts in the prior year have been reclassified to conform to the presentation adopted in the current year. There was no impact on net assets.

3. INVESTMENTS

Investments are stated at fair value and consist primarily of common stocks and mutual funds. Pending actual disbursement for budgeted program expenditures, funds are invested in securities designed to maximize resources available for programs while minimizing risk. These investments are managed by third party investment managers under board of director approved investment policies. These investments do not have a significant concentration of credit risk with any industry, geographic location, specific market sector or institution. Total earnings on unrestricted and temporarily restricted investments are credited to unrestricted net assets unless otherwise restricted by the donor.

Investments consisted of the following at December 31, 2012:

		Fair Value Measurements Using:			
		Quoted			
		Prices in			
		Active	Significant		
		Markets for	Other	Significant	
		Identical	Observable	Unobservable	
		Assets	Inputs	Inputs	
	Fair Value	(Level 1)	(Level 2)	(Level 3)	
Common stocks and					
mutual funds:					
TIFF Multi-Asset					
Fund	\$ 42,212,078	-	42,212,078	-	
TIFF Short-Term					
Fund	3,976,233		3,976,233		
Total common					
stocks and					
mutual funds	46,188,311	-	46,188,311	-	
Limited					
Partnership-	1 505 <1.1			1.505 <1.4	
TPEP 2005	1,725,614			1,725,614	
	\$ 47,913,925		46,188,311	1,725,614	

The Level 2 investments have been valued using a market approach. Level 3 investments have been valued using an income approach. Investments measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

January 1, 2012	\$ 1,745,966
New investment contributions	60,000
Total distributions	(434,150)
Total net gains (realized/unrealized)	353,798
December 31, 2012	\$ 1,725,614

Investments consisted of the following at December 31, 2011:

		Fair Value Measurements Using:			
		Quoted Prices			
		in Active	Significant		
		Markets for	Other	Significant	
		Identical	Observable	Unobservable	
		Assets	Inputs	Inputs	
	Fair Value	(Level 1)	(Level 2)	(Level 3)	
Common stocks and					
mutual funds:					
TIFF Multi-Asset					
Fund	\$ 37,028,182	-	37,028,182	-	
TIFF Short-Term					
Fund	3,976,233		3,976,233		
Total common					
stocks and					
mutual funds	41,004,415	-	41,044,415	-	
Limited					
Partnership-					
TPEP 2005	1,745,966			1,745,966	
	\$ 42,750,381	<u> </u>	41,004,415	1,745,966	

Investments measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

January 1, 2011	\$ 1,395,570
New investment contributions	180,000
Total distributions	(69,730)
Total net gains (realized/unrealized)	 240,126
December 31, 2011	\$ 1,745,966

Investment income (loss) consisted of the following for the year ended December 31:

	 2012	2011
Unrealized gains (loss), net	\$ 3,406,344	\$ (2,385,075)
Dividends	784,959	541,792
Capital gain distributions	1,337,491	1,441,393
Interest	54,506	44,376
Realized losses, net	 (634)	 (2,742)
	\$ 5,582,666	\$ (360,256)

The Foundation has agreed and committed to provide capital contributions of up to \$2,000,000 in TPEP 2005, an investment fund organized as a limited liability company by The Investment Fund for Foundations and TIFF Advisory Services, Inc. The capital of TPEP 2005 is expected to be allocated primarily among private equity managers pursuing venture, operations-oriented buy-out, and special situation and recapitalization strategies. As of December 31, 2012 and 2011 the Foundation had a remaining commitment to TPEP 2005 of \$120,000 and \$150,000, respectively. The initial investment period is a 12-year term expiring December 31, 2017, subject to extension for up to five consecutive one-year periods.

4. PROMISES TO GIVE

Unconditional promises to give were as follows at December 31:

	2012	2011
Contributions due in less than one year	\$ 1,343,087	\$ 1,513,315
Contributions due in one to five years	2,546,628	3,432,964
Contributions due in more than five years	348,100	449,855
	4,237,815	5,396,134
Less allowance for uncollectible promises	(80,500)	(145,877)
Less discount to net present value	(212,830)	(308,138)
	\$ 3,994,485	\$ 4,942,119

Promises to give are valued based upon net present value where a stream of expected cash flows is discounted at an appropriate market interest rate. The discount rate used on long-term promises to give was 3% in 2012 and 2011.

Promises to give are classified as Level 3 in accordance with the fair value hierarchy and have been valued using an income approach as follows:

	2012	 2011
January 1	\$ 4,942,119	\$ 8,181,695
New promises to give	658,281	884,854
Payments received on existing promises	(1,816,600)	(4,335,199)
Change in allowance for uncollectible promises	65,377	21,095
Change in present value	 95,308	 189,674
December 31	\$ 3,944,485	\$ 4,942,119

5. INTANGIBLES

In 2005, the Foundation purchased the rights to the trademark name Live Long...Live StrongTM. In 2012, the Foundation purchased the rights to the .livestrong and criticalmass.org domains. As a result of evaluating the intangible assets for impairment, the Foundation determined that gross revenues derived from the use of the purchased trademark exceeded the trademark's carrying value; therefore, no impairment existed as of December 31, 2012 and 2011.

6. INVENTORY

Inventory consisted of finished goods program merchandise at December 31, 2012 and 2011 of \$2,259,901 and \$1,799,010, respectively.

7. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31:

	2012	2011
Building Furniture, fixtures and equipment	\$ 9,192,746 4,083,699	\$ 9,106,352 3,040,705
Less accumulated depreciation	13,276,445 (3,458,409)	12,147,057 (2,750,376)
Land	9,818,036 2,039,211	9,396,681 2,039,211
Data systems not yet in service Equipment not yet in service		471,033 18,163
Property and equipment, net	\$ 11,857,247	\$ 11,925,088

8. GRANTS PAYABLE

During the years ended December 31, 2012 and 2011, the Foundation made grants to fund cancer research, support long term survivor clinics, and fund various community grants and sponsorships. The Schedule of Grant History reflects the grants awarded as unconditional promises to give. Unconditional promises to give were as follows at December 31:

	 2012	 2011
Payable in less than one year	\$ 2,001,160	\$ 2,483,484
Payable in one to five years	 245,000	 130,000
	2,246,160	2,613,484
Less discount to net present value	 (14,339)	 (8,278)
Grants payable, net	\$ 2,231,821	\$ 2,605,206

The discount rate applied to unconditional promises to give extending beyond one year from the grant date was 3% for 2012 and 2011. These are classified as Level 3 in accordance with the fair value hierarchy and have been valued using an income approach as follows:

	2012	2011
January 1	\$ 2,605,206	\$ 2,040,951
Grants awarded	9,732,907	5,354,612
Grants paid	(10,000,963)	(4,547,038)
Grant cancellations	(99,269)	(262,121)
Change in present value	(6,060)	18,802
December 31	\$ 2,231,821	\$ 2,605,206

9. LEASE COMMITMENTS AND CONTINGENCIES

The Foundation leases equipment under non-cancelable operating leases. Rental expenses for the office lease and miscellaneous equipment for the years ended December 31, 2012 and 2011 were \$50,692 and \$45,649, respectively. Minimum future rentals are as follows:

2013 2014	\$ 36,060 21,126
2015	 3,660
	\$ 60,846

The Foundation is exposed to unasserted potential claims in the normal course of business. In the opinion of management, the resolution of these matters will not have a material adverse effect on the Foundation's financial position or results of operations.

10. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets were available for the following purposes at December 31:

	2012		2011	
Men's Health Initiatives	\$	4,563,944	\$	-
Time Restrictions		2,624,657		2,891,340
Volunteer and Intern Programs		657,971		731,884
International Programs		220,000		527,000
Programs and Partnerships		117,452		157,427
Young Adult Services		99,143		-
Navigation Services		93,250		149,300
Fertility Services		-		145,673
Survivorship Centers of Excellence		_		104,167
	\$	8,376,417	\$	4,706,791

11. PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets result from contributions whose use by the Foundation is limited by donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of the Foundation. Income and net appreciation may be expended in accordance with the spending policy established by the Foundation. The pro-rata share of investment income and related fund expenses are restricted for each named endowment fund.

The endowment funds at the Foundation are for the general purposes of the Foundation and may provide support for a specific educational program, assist a specific national advocacy program fund a particular type of grant or purpose mutually agreed upon with the donor.

The corpus (principal) of donor restricted funds may never be spent. However, income and net appreciation may be expended in accordance with the spending policy described below. It is the policy of the endowment to comply with both federal and state law in complying with the specific time or use restrictions as stipulated by the individual donor. As such, the disclosure of the net asset classification of donor-restricted endowment funds is highlighted in this footnote.

The investment policy for endowment funds outlines the organization's return objectives, risk parameters, and spending policies as summarized below:

- Return objectives The return objective for endowment funds is to preserve and
 enhance the purchasing power of endowment assets, net of costs and board-approved
 withdrawals, over rolling five-year periods. This goal is synonymous with the pursuit of
 a time-weighted net return on endowment assets that equals inflation plus the long-term
 spending rate.
- Risk parameters The endowment's risk parameters are measured by its policy portfolio and allowable asset mix detailed in board approved investment guidelines. These guidelines provide specific target allocations and ranges. The policy portfolio represents the highest expected return asset mix that is likely to satisfy the return objectives. Because the policy portfolio entails benchmarks for each of its segments and hence also for the endowment as a whole, it constitutes an appropriate standard by which to measure progress toward achievement of these objectives. The policy portfolio further imposes an illiquid asset ceiling of 25%.
- Spending policy The spending policy for endowment funds specifies a spending rate of 4% of the rolling five-year moving average of the monthly portfolio market value. This amount is determined at the end of December each year and is available for spending in the next fiscal year.

Permanently restricted net assets were as follows at December 31:

	2012	 2011
Individual named funds (64 and 54 individual funds		
at 2012 and 2011, respectively)	\$ 11,014,890	\$ 9,517,655
Unnamed funds	224,371	185,145
Pledged and undesignated funds	64,938	 137,331
	\$ 11,304,199	\$ 9,840,131

Endowment net asset composition by type of fund was as follows at December 31, 2012:

		Permanently	
	Unrestricted	Restricted	Total
Donor-restricted endowment funds	\$ -	11,304,199	11,304,199
Undesignated endowment funds	17,282,441	-	17,282,441
Board-designated endowment			
funds	9,157,406		9,157,406
Total funds	\$ 26,439,847	11,304,199	37,744,046

The changes in endowment net assets for the year ended December 31, 2012 were as follows:

	Permanently			
	Unrestricted	Restricted	Total	
Endowment net assets, beginning				
of year	\$ 23,896,202	9,840,131	33,736,333	
Investment return	2,542,608	1,021,685	3,564,293	
Contributions	-	438,071	438,071	
Appropriation of endowment assets				
for expenditure and other				
adjustments	1,037	4,312	5,349	
Endowment net assets, end of year	\$ 26,439,847	11,304,199	37,744,046	

Endowment net asset composition by type of fund was as follows at December 31, 2011:

	Unrestricted	Permanently Restricted	Total
Donor-restricted endowment funds Undesignated endowment funds Board-designated endowment	\$ - 14,738,796	9,840,131	9,840,131 14,738,796
funds	9,157,406		9,157,406
Total funds	\$ 23,896,202	9,840,131	33,736,333

The changes in endowment net assets for the year ended December 31, 2011 were as follows:

	Unrestricted	Permanently Restricted	Total
Endowment net assets, beginning			
of year	\$ 21,273,048	8,390,648	29,663,696
Investment return	(366,529)	74,881	(291,648)
Contributions	3,000,000	1,351,898	4,351,898
Appropriation of endowment assets			
for expenditure and other			
adjustments	(10,317)	22,704	12,387
Endowment net assets, end of year	\$ 23,896,202	9,840,131	33,736,333

12. RETIREMENT PLAN

The Foundation has a contributory matching retirement plan for all employees under section 401(k) of the Internal Revenue Code. Contributions of the eligible participants' elective deferral up to a maximum 4% are funded on a current basis by the Foundation. Employees are fully vested in all contributions made on their behalf by the Foundation. The contributions charged to operations were \$190,019 and \$171,841 during the years ended December 31, 2012 and 2011, respectively.

13. RELATED PARTY TRANSACTIONS

During 2012 and 2011, the Foundation received contributions of \$410,503 and \$2,388,585, respectively, from board members. During 2012 and 2011, the Foundation made payments of \$134,121 and \$315,146, respectively, to related parties for services provided and expense reimbursements. As of December 31, 2012 and 2011, the Foundation had promises to give due from board members of \$1,496,652 and \$2,285,970, respectively.

14. FEDERAL AND STATE GRANTS

The Department of Health and Human Services' Centers for Disease Control ("CDC") awarded the Foundation a federal grant for the CDC 2011-2012 fiscal year in support of the "Making An Impact: Outreach and Education to Improve Survivorship amount Underserved Populations" initiative. The purpose of the grant is to support and encourage early detection or survivorship of cancer in underserved populations. The grant, which is based upon allowable expenses paid, is awarded each year and is subject to annual renewal.

The Cancer Prevention & Research Institute of Texas ("CPRIT") awarded the Foundation a grant for the August 2010 to July 2012 term in support of health promotion, public education and outreach programs. The grant is based upon allowable expenses paid.

During the years ended December 31, 2012 and 2011, the Foundation incurred reimbursable expenditures of \$411,165 and \$495,761, respectively.

These grants are subject to review and audit by the grantor agencies. These grants have certain compliance requirements and, should audits by the grantor agencies disclose any areas of substantial noncompliance, the Foundation may be required to refund any disallowed costs. Management is of the opinion that the Foundation is in compliance with these grantor requirements.

15. PROGRAM ACTIVITIES

The Foundation conducts a variety of program services to cancer survivors, their caregivers, and families. Specifically, program expenses were as follows for the year ended December 31:

	2012	2011
Programs and Policy	\$ 13,670,943	\$ 8,771,578
Grants and Programs	11,611,067	10,961,533
Education and Program Development	6,274,709	6,932,491
Government Relations	3,357,205	1,107,998
Grassroots Advocacy	1,808,874	1,192,906
	\$ 36,722,798	\$ 28,966,506

16. JOINT COSTS

The Foundation conducts activities that include fundraising appeals as well as program and management and general components. These activities include direct mail and other constituent relationship activities. The costs of conducting these joint activities were comprised of the following as of December 31:

	 2012	 2011
Fundraising Management and general	\$ 179,128 7,347	\$ 160,907 10,325
	\$ 186,475	\$ 171,232

17. FUNCTIONAL EXPENSES

Functional expenses for the year ended December 31, 2012 consisted of the following:

			Management	
	Program	Fundraising	and General	Total
Grants and awards	\$ 9,547,732	-	-	9,547,732
Salaries, wages, and benefits	6,613,238	1,693,232	616,782	8,923,252
Legal and professional	5,018,860	420,060	258,037	5,696,957
Advertising	4,099,869	838,843	122,391	5,061,103
Public awareness	3,796,054	6,600	600	3,803,254
Travel	1,194,713	233,844	43,931	1,472,488
Bad debt and taxes	914,224	142,986	2,915	1,060,125
Guidebook and merchandise				
giveaway	989,352	6,616	1,698	997,666
Contract services	568,699	212,426	84,117	865,242
Technology	368,465	152,370	223,487	744,322
Facility and miscellaneous				
rental charges	438,164	229,218	50,401	717,783
Depreciation	489,332	165,022	53,680	708,034
Payroll taxes	407,193	105,416	33,590	546,199
Professional fundraising fees	138,123	273,537	22,027	433,687
Bank service fees	223,459	174,630	30,578	428,667
Postage and supplies	273,645	105,327	8,792	387,764
Printing and publications	302,684	62,355	10,639	375,678
Retirement plan contributions	158,582	38,007	13,627	210,216
Occupancy	117,535	44,823	6,473	168,831
Insurance	73,731	33,334	6,474	113,539
Telephone	50,684	20,245	30,106	101,035
Entertainment	23,980	3,716	1,035	28,731
Permits	11,414	6,088	1,808	19,310
Other	903,066	232,534	80,330	1,215,930
	\$ 36,722,798	5,201,229	1,703,518	43,627,545

Functional expenses for the year ended December 31, 2011 consisted of the following:

	Program	Fundraising	and General	Total	
Salaries, wages, and benefits	\$ 5,605,032	1,610,399	639,352	7,854,783	
Legal and professional	5,204,301	381,300	290,609	5,876,210	
Grants and awards	4,948,141	-	-	4,948,141	
Advertising	3,351,976	313,535	250,916	3,916,427	
Public awareness	2,500,000	-	-	2,500,000	
Travel	1,185,685	196,302	95,899	1,477,886	
Technology	962,159	216,393	273,033	1,451,585	
Guidebook and merchandise					
giveaway	963,581	9,940	4,368	977,889	
Contract services	659,990	154,004	97,229	911,223	
Facility and miscellaneous					
rental charges	516,982	82,799	88,387	688,168	
Depreciation	400,599	164,953	23,565	589,117	
Payroll taxes	349,848	98,183	34,504	482,535	
Printing and publications	306,669	37,399	24,616	368,684	
Bank service fees	207,274	95,937	39,230	342,441	
Professional fundraising fees	124,281	163,042	20,269	307,592	
Postage and supplies	214,930	67,561	10,753	293,244	
Occupancy	141,573	65,821	26,223	233,617	
Retirement plan contributions	132,484	33,951	12,956	179,391	
Insurance	94,892	27,511	12,879	135,282	
Telephone	56,759	23,020	26,882	106,661	
Bad debt and taxes	101,674	(7,337)	(1,202)	93,135	
Permits	9,122	3,750	2,263	15,135	
Entertainment	9,389	2,872	1,642	13,903	
Other	919,165	195,807	114,757	1,229,729	
	\$ 28,966,506	3,937,142	2,089,130	34,992,778	

18. SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through June 28, 2013 (the date the financial statements were available to be issued) and no events have occurred from the statement of financial position date through that date that would impact the financial statements.



SCHEDULE OF PROGRAM EXPENSES YEAR ENDED DECEMBER 31, 2012

	P:	rograms and Policy	Grants and Programs	Education and Program Development	Grassroots Advocacy	Government Relations	Total Programs
Grants and awards	\$	2,946,124	2,705,336	2,346,272	-	1,550,000	9,547,732
Salaries, wages, and benefits		2,083,031	2,419,682	1,131,819	373,279	605,427	6,613,238
Legal and professional		885,753	2,578,991	877,506	69,904	606,706	5,018,860
Advertising		518,579	1,907,223	699,717	855,695	118,655	4,099,869
Public awareness		3,793,041	1,517	821	236	439	3,796,054
Travel		251,201	271,550	337,542	245,764	88,656	1,194,713
Guidebook and merchandise giveaway		968,918	8,278	6,337	3,929	1,890	989,352
Bad debt/taxes/miscellaneous		433,285	241,380	131,386	37,876	70,297	914,224
Contract services		256,246	142,754	105,605	23,173	40,921	568,699
Depreciation		144,913	223,145	66,512	19,175	35,587	489,332
Facility and miscellaneous rental charges		159,548	139,429	83,002	21,882	34,303	438,164
Payroll taxes		125,503	151,876	71,879	23,593	34,342	407,193
Technology		100,163	183,485	46,104	13,500	25,213	368,465
Printing and publications		202,342	59,741	22,913	4,946	12,742	302,684
Postage and supplies		174,867	59,380	25,658	9,376	4,364	273,645
Bank service fees		82,828	71,069	38,320	10,954	20,288	223,459
Retirement plan contributions		51,577	62,673	22,406	7,495	14,431	158,582
Professional fundraising fees		37,017	50,369	33,242	8,419	9,076	138,123
Occupancy		49,539	34,250	18,509	5,335	9,902	117,535
Insurance		27,420	23,362	12,585	3,629	6,735	73,731
Telephone		14,556	16,874	11,910	3,655	3,689	50,684
Entertainment		7,550	7,646	3,418	986	4,380	23,980
Permits		3,914	4,224	1,796	519	961	11,414
Other		353,028	246,833	179,450	65,554	58,201	903,066
	\$	13,670,943	11,611,067	6,274,709	1,808,874	3,357,205	36,722,798

SCHEDULE OF GRANT HISTORY DECEMBER 31, 2012

	2003 and Prior	2004	2005	2006	2007	2008	2009	2010	2011	2012	TOTAL
Grants payable January 1,	\$ -	3,420,931	4,561,969	9,540,676	7,337,123	7,590,025	6,833,099	3,057,033	2,040,951	2,605,206	-
Grants awarded	9,710,471	6,186,800	14,976,455	12,891,166	9,534,130	8,800,140	4,995,469	7,303,518	5,354,612	9,732,907	89,485,668
Grant payments and other changes	r (6,289,540)	(5,045,762)	(9,997,748)	(15,094,719)	(9,281,228)	(9,557,066)	(8,771,535)	(8,319,600)	(4,790,357)	(10,106,292)	(87,253,847)
Grants payable December 31,	\$ 3,420,931	4,561,969	9,540,676	7,337,123	7,590,025	6,833,099	3,057,033	2,040,951	2,605,206	2,231,821	2,231,821