

**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)

**2008**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

**A For the 2008 calendar year, or tax year beginning**

**and ending**

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type.  See Specific Instructions.	<b>C Name of organization</b> <b>ARTHRITIS FOUNDATION - WI CHAPTER, INC</b> Doing Business As		<b>D Employer identification number</b> <b>39-0860526</b>
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite <b>1650 S. 108TH STREET</b>		<b>E Telephone number</b> <b>414-329-4603</b>
		City or town, state or country, and ZIP + 4 <b>WEST ALLIS, WI 53214</b>		<b>G Gross receipts \$</b> <b>3,429,713.</b>
		<b>F Name and address of principal officer:</b> <b>JUDY HAUGSLAND</b> <b>SAME AS C ABOVE</b>		<b>H(a) Is this a group return for affiliates?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b) Are all affiliates included?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) <b>H(c) Group exemption number</b> ▶ <b>8510</b>
<b>I Tax-exempt status:</b> <input checked="" type="checkbox"/> 501(c) ( <b>3</b> ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527				
<b>J Website:</b> ▶ <b>WWW.ARTHRITIS.ORG</b>				
<b>K Type of organization:</b> <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶			<b>L Year of formation:</b> <b>1948</b>	
<b>M State of legal domicile:</b> <b>WI</b>				

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <b>IMPROVE LIVES THROUGH PREVENTION, CONTROL AND CURE OF ARTHRITIS.</b>				
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.				
	<b>3</b>	Number of voting members of the governing body (Part VI, line 1a)	<b>33</b>		
	<b>4</b>	Number of independent voting members of the governing body (Part VI, line 1b)	<b>33</b>		
	<b>5</b>	Total number of employees (Part V, line 2a)	<b>30</b>		
	<b>6</b>	Total number of volunteers (estimate if necessary)	<b>400</b>		
	<b>7a</b>	Total gross unrelated business revenue from Part VIII, line 12, column (C)	<b>2,500.</b>		
<b>7b</b>	Net unrelated business taxable income from Form 990-T, line 34	<b>-6,116.</b>			
<b>Revenue</b>	<b>8</b>	Contributions and grants (Part VIII, line 1h)	<b>2,051,429.</b>	<b>2,596,458.</b>	
	<b>9</b>	Program service revenue (Part VIII, line 2g)	<b>501,491.</b>	<b>465,024.</b>	
	<b>10</b>	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<b>79,827.</b>	<b>77,738.</b>	
	<b>11</b>	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<b>-2,636.</b>	<b>-451.</b>	
	<b>12</b>	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>2,630,111.</b>	<b>3,138,769.</b>	
	<b>Expenses</b>	<b>13</b>	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<b>139,000.</b>	<b>111,250.</b>
		<b>14</b>	Benefits paid to or for members (Part IX, column (A), line 4)		
		<b>15</b>	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	<b>880,645.</b>	<b>961,414.</b>
		<b>16a</b>	Professional fundraising fees (Part IX, column (A), line 11e)		
		<b>b</b>	Total fundraising expenses (Part IX, column (D), line 25) ▶ <b>457,085.</b>		
<b>17</b>		Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	<b>1,513,916.</b>	<b>1,698,926.</b>	
<b>18</b>	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	<b>2,533,561.</b>	<b>2,771,590.</b>		
<b>19</b>	Revenue less expenses. Subtract line 18 from line 12	<b>96,550.</b>	<b>367,179.</b>		
<b>Net Assets or Fund Balances</b>	<b>20</b>	Total assets (Part X, line 16)	<b>2,475,298.</b>	<b>2,869,058.</b>	
	<b>21</b>	Total liabilities (Part X, line 26)	<b>334,543.</b>	<b>361,124.</b>	
	<b>22</b>	Net assets or fund balances. Subtract line 21 from line 20	<b>2,140,755.</b>	<b>2,507,934.</b>	

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature of officer: \_\_\_\_\_ Date: \_\_\_\_\_

**JUDY HAUGSLAND, PRESIDENT/CEO**  
Type or print name and title

<b>Paid Preparer's Use Only</b>	Preparer's signature ▶ <b>TROY E. MARINE, CPA</b>	Date <b>09/14/09</b>	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions) <b>P00187863</b>
	Firm's name (or yours if self-employed), address, and ZIP + 4 <b>BAKER TILLY VIRCHOW KRAUSE, LLP</b> <b>115 SOUTH 84TH STREET, SUITE 400</b> <b>MILWAUKEE, WI 53214</b>			EIN ▶ <b>39-0859910</b> Phone no. ▶ <b>(414)777-5500</b>

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

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:

THE MISSION OF THE ARTHRITIS FOUNDATION IS TO IMPROVE LIVES THROUGH LEADERSHIP IN THE 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

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

Yes No

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

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

SEE SCHEDULE O FOR CONTINUATION(S)

4a (Code: ) (Expenses \$ 962,499. including grants of \$ 1,800. ) (Revenue \$ 17,765. )

PUBLIC HEALTH EDUCATION - PROVIDING HEALTH INFORMATION THROUGH COMMUNITY AWARENESS CAMPAIGNS AND PUBLIC EDUCATION ACTIVITIES FOR PEOPLE AND COMMUNITIES WITH A CONCERN ABOUT ARTHRITIS IS A WAY TO INCREASE ACCESS TO A VARIETY OF RESOURCES.

ARTHRITIS FOUNDATION PUBLIC EDUCATION PROGRAMS INCLUDE; PUBLIC FORUMS, SPEAKERS BUREAU AND HEALTH EXHIBITS. THEY ACCOMPLISH ARTHRITIS ACTION PLAN GOALS TO REDUCE ARTHRITIS PAIN, REDUCE ACTIVITY LIMITATIONS DUE TO ARTHRITIS, REDUCE DISPARITIES IN ARTHRITIS CARE AND PROMOTE EARLY DIAGNOSIS AND VISITS TO COMPETENT ARTHRITIS CARE PROVIDERS.

PUBLIC EDUCATION PROGRAMS ARE COMMUNITY BASED AND PROVIDE OPPORTUNITIES

4b (Code: ) (Expenses \$ 561,528. including grants of \$ 5,700. ) (Revenue \$ 37,467. )

PATIENT AND COMMUNITY SERVICES - EVIDENCE BASED SELF MANAGEMENT EDUCATION PROGRAMS AND THE COMMUNITY SERVICES ARE DESIGNED TO ENABLE INDIVIDUALS WITH ARTHRITIS TO COPE MORE EFFECTIVELY WITH THEIR DISEASE AND RELATED MOBILITY ISSUES. PATIENT AND COMMUNITY SERVICES PROGRAM EFFORTS INCLUDE:

THE ARTHRITIS FOUNDATION LIFE IMPROVEMENT SERIES: THE ARTHRITIS FOUNDATION OFFERS AN ARRAY OF EXERCISE AND EDUCATION PROGRAMS DOCUMENTED TO REDUCE ARTHRITIS PAIN, IMPROVE ABILITY TO DO MORE DAILY ACTIVITIES AND IMPROVE GENERAL HEALTH STATUS. THE SERIES INCLUDES AN IN-DEPTH SELF HELP EDUCATIONAL PROGRAM ALONG WITH EXERCISE PROGRAMS (LAND AND WATER) FOR A VARIETY OF FITNESS LEVELS AND EXERCISE

4c (Code: ) (Expenses \$ 476,245. including grants of \$ 103,750. ) (Revenue \$ )

RESEARCH - RESEARCH IS THE KEY TO FINDING BETTER TREATMENTS AND A CURE. SINCE THE ORGANIZATION'S INCEPTION IN 1948, THE ARTHRITIS FOUNDATION HAS FUNDED MORE THAN 2,200 RESEARCHERS WITH GRANTS TOTALING MORE THAN \$400 MILLION. THROUGH A RIGOROUS AND IMPARTIAL PEER REVIEW PROCESS THE ARTHRITIS FOUNDATION, THROUGH LOCAL CHAPTER EFFORTS, ANNUALLY FUNDS 200-300 RESEARCHERS IN 100 INSTITUTIONS NATIONWIDE. RESEARCHERS FUNDED THROUGH THE ARTHRITIS FOUNDATION HAVE UNLOCKED MANY MYSTERIES SURROUNDING ARTHRITIS RESULTING IN TREATMENT ADVANCES AND LIFESTYLE IMPROVEMENTS.

PREVENTION:

VACCINES TO PREVENT LYME DISEASE ARE BEING DEVELOPED.

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

(Expenses \$ 96,860. including grants of \$ ) (Revenue \$ )

4e Total program service expenses \$ 2,097,132. (Must equal Part IX, Line 25, column (B).)

**Part IV Checklist of Required Schedules**

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

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

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

Form 990 (2008)

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

		Yes	No
<b>1a</b>	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable		
	1a	14	
<b>b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
	1b	0	
<b>c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
	1c		
<b>2a</b>	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
	2a	30	
<b>b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	X	
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	X	
<b>b</b>	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	X	
<b>4a</b>	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
<b>b</b>	If "Yes," enter the name of the foreign country: See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
<b>b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
<b>c</b>	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
	5c		
<b>6a</b>	Did the organization solicit any contributions that were not tax deductible?	X	
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	X	
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
<b>a</b>	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?	X	
<b>b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided?	X	
<b>c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
<b>d</b>	If "Yes," indicate the number of Forms 8282 filed during the year		
	7d		
<b>e</b>	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
<b>f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
<b>g</b>	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		X
<b>h</b>	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		X
<b>8</b>	<b>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
<b>9</b>	<b>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.</b>		
<b>a</b>	Did the organization make any taxable distributions under section 4966?		
<b>b</b>	Did the organization make a distribution to a donor, donor advisor, or related person?		
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter: <b>N/A</b>		
<b>a</b>	Initiation fees and capital contributions included on Part VIII, line 12	10a	
<b>b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter: <b>N/A</b>		
<b>a</b>	Gross income from members or shareholders	11a	
<b>b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	12a	
<b>b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year <b>N/A</b>	12b	

