

A n n u a l R e p o r t 1 9 9 9



The Challenge

## CHIEF EXECUTIVE OFFICER'S REPORT

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When the American Cancer Society was founded in 1913, a cancer diagnosis meant almost certain death—preceded only by a protracted period of pain and suffering. In those days, the Society could offer comfort and perhaps the loan of a hospital bed, but it could not offer much in the way of hope, progress, or answers.

Much had changed by the time I first became involved as a volunteer with the ACS 30 years ago. Society research had firmly established the link between smoking and lung cancer, the ACS was crusading for widespread use of the Pap test for cervical cancer, and ACS-sponsored investigators had begun to unravel the genetic code.

Because of these and other efforts, cancer is now potentially the most preventable and most curable of the major chronic diseases. Today, more than 8 million Americans are living testimony that cancer can be beaten. Today, our dreams of conquering cancer are closer than ever to becoming a reality.

But there's much work still to be done. Researchers have discovered how to prevent and treat many cancers, but we must translate those discoveries into lifelong, lifesaving, personal choices and habits. Early detection of cancer can dramatically increase patients' chances for survival, but we must advocate on behalf of the medically underserved to make sure those tests are available to every individual. And we must ensure that our resources are available 24 hours a day, 7 days a week.

The last 100 years have seen great advances in the fight against cancer, and the last decade especially has seen unprecedented growth in scientific understanding of the disease. We believe that the first part of this new century holds tremendous opportunity to reduce the threat of cancer in our lives. To ensure that this opportunity is not lost, the American Cancer Society has set bold, measurable goals to significantly lower the incidence and mortality rates of cancer, while working daily to improve the quality of life for all people facing cancer.

I'm firmly convinced that cancer can be conquered as a major health threat early in the new millennium. How early depends on our commitment and courage. We made incredible progress in the last century, and incredible opportunities await us in the century just beginning. But we must seize those opportunities, and we must work with others to do so. The challenge is before us. The time is now.

A handwritten signature in black ink that reads "John R. Seffrin".

**John R. Seffrin, PhD**

Chief Executive Officer



For the first time in recorded history, age-adjusted cancer incidence and mortality rates have begun to decline in the United States. Recognizing the unprecedented potential benefits of accelerating this decline, the American Cancer Society has set ambitious challenge goals for the American public for significant reductions in cancer incidence and mortality within our

lifetimes. Achievement of these goals could mean that as many as 5 million needless cancer deaths could be prevented altogether by the year 2015. We have set equally important goals to measurably improve the quality of life for all people affected by cancer.

The challenge is to reach these goals collaboratively. It will require not-for-profit organizations, government agencies, and private companies to work together. It will require physicians, policymakers, and insurers to partner in turning state of the science and state of the art into state of the practice. It will require people across America to follow prevention and screening guidelines and to give of their time, their talent, and their resources.

And so our challenge to America is also a challenge to ourselves. In this Annual Report, you'll discover many of the ways the Society is responding to its own challenge by bringing organizations and people together to fight cancer. You'll read how our volunteers are offering hope to people with cancer. You'll learn how our research and advocacy efforts are helping speed our progress. And you'll read how our cancer information specialists are providing answers for patients and their loved ones 24 hours a day, 7 days a week.

With your help, we are actively building the volunteer and professional staff structures needed to accomplish these goals. With your support, the Society's impact on cancer will continue to grow as we move forward together to meet the challenge. Please join us as we enter a new century and as we begin a new chapter in the history of the American Cancer Society and a new era in the fight against cancer.

**Gerald L. Woolam, MD**  
President

**John R. Kelly, PhD**  
Chairman of the Board

## The Challenge

In 1961, President John F. Kennedy stood before the United States Congress and challenged America to go to the moon before the decade was out. And America went.

In 1963, Dr. Martin Luther King, Jr., stood on the steps of the Lincoln Memorial and challenged America to keep its promise to all its citizens. By 1965, Congress passed two major pieces of civil rights legislation.

In 1970, Senator Ralph Yarborough called for a renewed national commitment to fight cancer. A year later, President Richard Nixon signed the National Cancer Act of 1971, launching more than a quarter century of unprecedented advances in cancer research and cancer prevention, early detection, and treatment.

In 1999, the American Cancer Society embarked on a new challenge: to measurably and significantly reduce cancer incidence and mortality, to save as many as 5 million lives that otherwise may be lost to cancer by the year 2015.

It's a bold challenge, a difficult task. But it's one that America can and should rise up to meet. The time is now. The tools are at hand. The challenge is before us.

## Controlling Cancer

What does it mean to control cancer? Given the nature of the disease, it is unlikely that cancer will ever be completely eliminated.

But we feel strongly that one day – and soon – cancer will be reduced to a chronic, treatable condition, no longer a life-threatening disease. When that day comes, it will be thanks to the efforts of all of us. It will take voluntary not-for-profit organizations working hand in hand with private companies and government agencies. It will take America's 8 million cancer survivors turning their experience into action on behalf of others. It will take the financial support of individuals and businesses. And it will take the efforts of talented researchers and dedicated volunteers.

It will also take vision and leadership. Through its far-reaching programs and presence in every community, the American Cancer Society is uniquely positioned to mold that vision and help move the cancer community – and the nation – toward our common goal.

Many organizations fight hard and well against cancer, but only the American Cancer Society brings to this collaborative effort the resources to fight every form of the disease on all fronts: through research, education, advocacy, and service.

To make this effort even more meaningful, we took several key steps this year. We developed objectives that will guide our path over the next 15 years, we conducted a community-by-community assessment of needs, issues, and barriers, and we created a nationwide program of work that will serve as a blueprint for our cancer control efforts in the years to come.

Everything the American Cancer Society represents can be summed up in three simple words: hope, progress, answers. These words can mean so much to those who have heard the frightening words, "You have cancer."

In the next few pages, you'll discover how hope, progress, and answers defined the American Cancer Society over the past 12 months.

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# Hope

## *The Power of Prevention and Early Detection*

The Society has long provided sound, unbiased cancer prevention information – much of it based on discoveries made by our own epidemiologists. To spread the message of prevention this year, we doubled the resources available on our web site and increased the capacity of our 24-hour-a-day call center. Now, hope is at hand every minute of every day for anyone who needs it.

This year, we also launched Y2Kidz.org, an online think tank for youth designed to give us insight into what kids think about issues related to cancer and its prevention, including smoking and other risk behaviors. Knowledge gained by this new site will guide the Society's future efforts to reach young people with positive lifestyle messages.

While Y2Kidz.org builds relationships on a national level, we are also building relationships in every community across America, relationships that encourage people to get early detection tests and, if cancer is discovered, to stay the course through treatment and recovery. For example, in *Tell A Friend*, a nationwide ACS program, trained community volunteers contact friends, family members, and acquaintances to encourage them to get a mammogram. Community volunteers also actively support patients during treatment and recovery, whether they are breast cancer survivors in the Society's *Reach to Recovery* program who listen and respond to concerns of people facing a cancer diagnosis, or neighbors who commit their time and resources to driving patients to and from treatment.

## *Closing the Gap*

Early detection is prevention's companion. It means that somewhere, a mother will watch her daughter graduate from college. It means that somewhere, a grandfather can fly a kite with his grandson. In the last half century, early detection tests for many types of cancer have made these moments possible for millions of Americans.

But serious gaps remain between state of the science and state of the practice and between early detection rates for minorities and the majority population. In 1998-1999, we continued working to close those gaps.

For example, if caught early, the 5-year survival rate for colorectal cancer jumps from 9 percent to over 90 percent. Yet fewer than 40 percent of adults over 50 get the vital, lifesaving early detection tests. To improve these numbers, in 1999 we worked with the Cancer Research Foundation of America and the National Colorectal Cancer Roundtable to have March 2000 declared the first official National Colorectal Cancer Awareness Month by the US Senate.

In another example, because African Americans are 50 percent more likely than whites to develop prostate cancer – and twice as likely to die from the disease – last year, we worked to raise awareness of the disease among African-American men. We did this through a national campaign featuring Harry and Shari Belafonte. In addition, we partnered with 100 Black Men of America, Inc., in an aggressive outreach program called *Let's Talk about It: A Prostate Health Education Program for African-American Men*. This highly successful program provides African-American men with current, reliable information on prostate cancer testing and treatment options and links them to community health resources.

## *Offering Support*

Who can better understand the uncertainty and despair of hearing the words "You have cancer," than one who has heard them and survived? More than 8 million Americans alive today have had cancer, and thousands of those survivors now serve as ACS volunteers. They serve as mentors to patients. They speak at group meetings, like *Man to Man*, a nationwide program for men with prostate cancer and their families. They give of their time and themselves, to bring hope to cancer patients and those who love them.

This year the Society marked the 30th anniversary of *Reach to Recovery*, a program that pairs breast cancer survivors with breast cancer patients. To recognize this, we conducted Expressions of Courage, a national juried art competition designed to celebrate the spirit of breast cancer survivorship. The winning piece, "Light, Grace, and Spirit" by Mississippi artist Paula Temple, vividly depicts the breast cancer journey and has been exhibited nationwide and featured on national television, furthering awareness of breast cancer diagnosis, treatment, and recovery.

We also teamed with AirLifeLine, a national, not-for-profit organization that provides free air transportation to patients who cannot afford the cost of travel to medical facilities, helping patients complete their treatment, so essential to recovery.

### *Relay For Life*

Perhaps the most visible way the Society offers hope is through *Relay For Life*, our signature activity that took place in nearly 2,500 communities across the country this year. Through *Relay*, we develop relationships and introduce millions of Americans to our lifesaving programs.

*Relay For Life* also generates significant income for the Society, but the numbers only tell part of the story. Many of those who come to *Relay* are cancer patients and survivors. Many are the loved ones of people who have fought cancer and won – or fought and lost. In gratitude or hope, memory or sorrow, they come by the tens of thousands to attack cancer with the best weapon they have: themselves.

## *Progress*

### *Finding a Cure*

Since beginning its research program, the ACS has committed more than \$2.2 billion to the study of cancer. This year alone, the Society funded more than \$100 million in cancer research and health professional training, a 7 percent increase over last year.

The Society also maintains its own epidemiological and surveillance research program, which monitors and analyzes patterns and trends in cancer occurrence, risk factors, utilization of early detection tests, and patient care. It was ACS epidemiologists who first demonstrated the link between smoking and lung cancer and who – by continuing to mine data from the largest epidemiological study in the world – are showing how family history, lifestyle choices, and environmental factors influence cancer development.

Since 1995, the Society has funded and housed one of only two behavioral research centers in the world. This year, the American Cancer Society's Behavioral

Research Center conducted a survey showing that cigar smokers believed themselves to be at much lower risk of cancer than was actually the case. Future projects include a cancer survivor study, which will survey quality of life and unmet needs of survivors for up to 10 years, and a study on the use of complementary therapies by cancer survivors.

### *Exciting Discoveries*

During the past decade, the pace of cancer research has accelerated at an incredible rate. Last year, for example, ACS Research Professor Robert A. Weinberg, PhD, took a key step toward solving the mystery of how cancer happens. In a first for laboratory research, he created a tumor cell from a normal human cell, mimicking the cancer process and enabling researchers to study the beginnings of cancer and its ability to spread throughout the body.

The vital contributions of the Society's research program was demonstrated again this year when Günter Blobel, MD, PhD, received the Nobel Prize in Physiology or Medicine for discovering the signals that direct proteins to their proper location within a cell. Dr. Blobel is the 30th Nobel Prize recipient whose early work was supported by the Society. No other private, nonprofit health organization can claim as many Nobel laureates among its grantees.

The Society annually receives nearly 2,000 applications for research and health-professional training grants. This year, we initiated plans that will significantly enhance our grant evaluation process. Beginning next year, cancer survivors or other nonscientists committed to the future of cancer research will join each of the Society's 18 peer review committees. As full voting members, these stakeholders will bring a new and different perspective to the grant review process.

### *Advocating for a Healthier Tomorrow*

While much of our progress occurs in the laboratory, many significant gains are also made in the halls of federal, state, and local governments. The goal of our advocacy efforts is to ensure that issues related to cancer get the attention, the legislative action, and the funding they deserve.

One of our key victories in 1999 was to secure additional federal funding for cancer research, prevention, and early detection, as well as for quality cancer care for the medically underserved. Another major advocacy achievement in 1999 grew from the multi-state tobacco settlement. While some politicians have viewed the tobacco settlement money as a no-strings-attached windfall, we were able to convince lawmakers in 15 states to fund vital tobacco control efforts instead. Through Operation Settle Up, we helped secure nearly \$300 million in settlement money earmarked for state tobacco prevention and control programs, thus ensuring resources to protect children and adults from addiction, tobacco-related illness, including cancer, and death.

The ACS Action Network – our national grassroots network of individuals who are committed to fighting cancer by calling, writing, and visiting their elected representatives and policymakers – continued to grow in 1999, with more than 112,000 members throughout the country. Through this volunteer/staff partnership, we ensured that access to clinical trials was part of the national debate on patient-protection legislation. The ACS continues to call for public health initiatives to address the needs of the medically underserved.



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# Answers

## *Answers as Close as the Phone*

When cancer touches people's lives, they seek answers to many questions: What does the diagnosis mean? What are my treatment options? Will I lose my hair? My job? My life?

The American Cancer Society is the leading source for unbiased cancer information and services, and for the last two years we've made that information available to all who need it, 24 hours a day, 7 days a week, through our toll-free number: 1-800-ACS-2345. Highly trained cancer information specialists and oncology nurses take questions, listen to concerns, and provide answers. Answering as many as 72,000 calls per month this year, they take as much time as callers need; they refer callers to additional cancer resources available at the community level; and they do it all for free. Bilingual operators are available, and many materials have been translated into Spanish.

## *Answers on the Web*

If the Society's call center puts information and community resources as close as the nearest phone, the Society's web site at [www.cancer.org](http://www.cancer.org) puts it as close as the nearest computer. Through the generosity of the Leo and Gloria Rosen family, more than 200,000 unique visitors come to this site every month, accessing an unparalleled amount of cancer information.

This year, we revised the site's interface and doubled the number of resources. New features include prevention and early detection information, information on health care providers and hospitals, a cancer drug database, and a state-by-state directory of cancer resources. Visitors can easily order American Cancer Society books and brochures online or sign up for email that alerts them when new resources are added to the site.

Our online cancer information specialists answer more than 3,000 inquiries a month from all over the world. Like its call center counterpart, the online center is equipped to handle questions in a variety of languages, and many of its resources are now available in Spanish.

## *Funding the Fight*

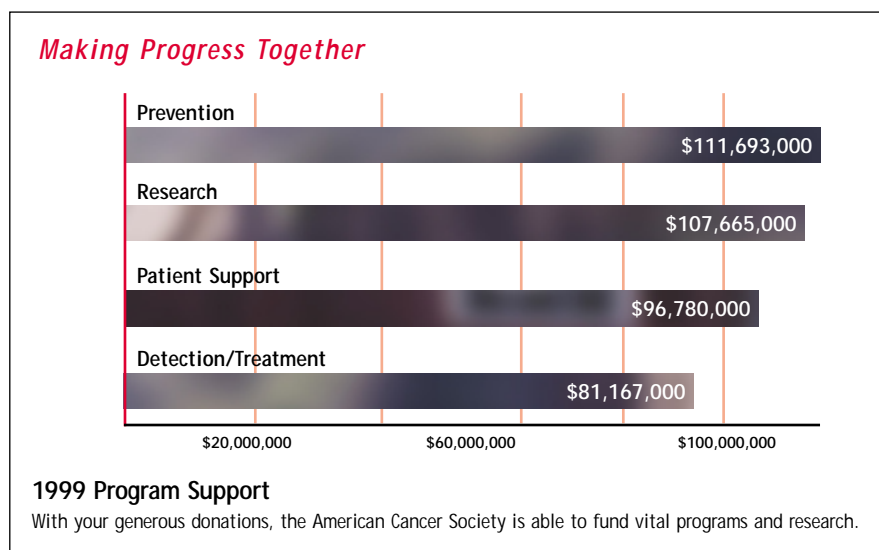
At its heart, the American Cancer Society is people. It is researchers devoted to finding a cure. It is survivors helping others become survivors themselves. It is volunteers teaching young people to protect themselves from cancer. And it is individuals, corporations, and foundations giving of their financial resources to ensure that the Society's work can continue and expand.

This year, more than 5 million Americans supported the Society financially, powerful testimony to the vital importance of our mission. From every state and every walk of life, our donors are united in the firm belief that each dollar raised saves lives.

Some of our most visible resource development efforts are our special events. *Making Strides Against Breast Cancer* raises millions of dollars for research while

also raising awareness of the importance of early detection. *Relay For Life* – now the largest single fundraising event in America – brings together 1.5 million people in nearly 2,500 communities each year to fight cancer. And our galas and balls offer donors in many cities a festive way to show their support for the Society's programs.

But special events only tell part of the story. Millions of Americans fund the fight in other ways. Some make sizeable investments through our major gifts and planned giving programs. Others provide significant and lasting gifts through the American Cancer Society Foundation. Harold and Jean Grossman did that with their endowment gift which will provide income for breast cancer research until the disease is defeated. Still others donate through our memorial program, mail program, payroll deduction, or other annual campaigns. This year, we developed a corporate worksite initiative, which will, in future years, allow us to increase the level of support through employee campaigns and corporate gifts, and give us another avenue by which to recruit volunteers and extend our cancer control efforts.



## The Challenge

Right now, an American Cancer Society volunteer is offering hope to someone who had lost it. Right now, an ACS-supported researcher is making progress toward another key breakthrough. Right now, an ACS call center specialist is giving answers to a new cancer patient. Right now, your support is helping the American Cancer Society provide hope, progress, and answers to the millions of Americans whose lives are touched by cancer each year.

But also right now, a normal cell is turning malignant. Right now, a woman is hearing the news she's been dreading. Right now, cancer is claiming another victim.

And so we must rededicate ourselves to fighting the disease. We must redouble our efforts toward finding a cure. And we must do it now.

In 1999, the American Cancer Society issued a bold challenge to America: to control cancer in our lifetimes. We stand ready to do our part, but we can't meet the challenge alone. Cancer is a powerful foe, and beating it will require the best efforts of all of us.

The challenge is before us. The tools are at hand. The time is now.



In fiscal year 1998-1999, public support for the American Cancer Society's programs increased 11.1 percent to \$620 million. That unprecedented level of support by the American public allowed us to significantly increase the scope and impact of our accomplishments and more effectively carry out our mission.

Besides becoming more effective, the Society has also become more efficient. This year, we completed our resource realignment initiative, a nationwide field reorganization process designed to move more cancer control resources into the communities we serve. Our new, more efficient organizational structure gives us a renewed capacity to achieve our aggressive goals in cancer prevention and detection. We will continue to evaluate the work done by our National Home Office and Divisional entities in order to introduce more efficient processes and eliminate redundancies.

The American Cancer Society is committed to the highest standards of financial stewardship in managing the resources made available by the American public. We invite inquiry and are pleased to respond to requests for information about our programs and finances through our web site at [www.cancer.org](http://www.cancer.org).

A handwritten signature in black ink that reads "David M. Zacks". The signature is fluid and cursive, with a large, stylized "Z" and "A".

**David M. Zacks, Esq.**  
Treasurer  
American Cancer Society, Inc.

**COMBINED BALANCE SHEETS** *August 31, 1999 with Comparative Totals for 1998 (In Thousands)*

American Cancer Society, Inc., National Home Office, Foundation, and Chartered Divisions

	<b>1999</b>	<b>1998</b>
<b>ASSETS</b>		(Note 1)
Cash	\$ 48,333	\$ 40,705
Temporary investments, at fair value (Note 3):		
Multiple combined investment pool (Note 2)	365,716	366,245
Combined endowment pool	380	194
Other investments	320,910	267,548
Total temporary investments	<u>687,006</u>	<u>633,987</u>
Due from federated fund-raising organizations	<u>22,348</u>	<u>22,117</u>
Pledges and grants receivable, net (Note 4)	<u>23,290</u>	<u>22,573</u>
Inventory:		
Educational, crusade, and service material, at cost	6,898	7,154
Contributed merchandise, at fair value	2,044	1,746
Total inventory	<u>8,942</u>	<u>8,900</u>
Accrued interest and other receivables	<u>14,340</u>	<u>11,011</u>
Prepaid pension cost (Note 8)	<u>27,627</u>	<u>24,006</u>
Other prepaid expenses and assets	<u>12,609</u>	<u>11,834</u>
Legacies and bequests receivable	<u>49,813</u>	<u>47,249</u>
Government grants receivable	<u>2,244</u>	<u>1,874</u>
Gift annuity interests	<u>18,135</u>	<u>13,327</u>
Beneficial interests in trusts	<u>123,568</u>	<u>94,440</u>
Land, buildings, and equipment, net (Note 6)	<u>152,762</u>	<u>137,311</u>
Investments, at fair value (Note 3):		
Multiple combined investment pool (Note 2)	279	249
Combined endowment pool	19,820	19,133
Other investments	31,113	23,353
Total investments	<u>51,212</u>	<u>42,735</u>
Total assets	<u><b>\$ 1,242,229</b></u>	<u><b>\$ 1,112,069</b></u>
 <b>LIABILITIES AND NET ASSETS</b>		
Research and other program awards and grants payable (Note 7):		
Current portion	\$ 66,465	\$ 62,400
Long-term portion, net	<u>51,919</u>	<u>41,113</u>
	<u>118,384</u>	<u>103,513</u>
Accounts payable and accrued expenses:		
Accounts payable and accrued expenses	51,184	41,295
Accrued retirement plan benefits (Note 8)	16,159	14,056
Postretirement medical, dental, and life insurance accrual (Note 9)	13,237	11,279
Annuity obligation	<u>18,135</u>	<u>13,327</u>
Total accounts payable and accrued expenses	<u>98,715</u>	<u>79,957</u>
Due to broker for securities purchased	<u>651</u>	<u>2,480</u>
Deferred income (Note 10)	<u>9,147</u>	<u>9,843</u>
Mortgages and industrial development bonds payable (Note 6)	<u>29,558</u>	<u>36,043</u>
Obligations under capital leases (Note 6)	<u>8,517</u>	<u>6,610</u>
Total liabilities	<u>264,972</u>	<u>238,446</u>
Commitments and contingencies (Notes 6, 7, 11, and 17)		
Net assets:		
Unrestricted:		
Available for program and supporting activities	565,897	526,505
Net investment in land, buildings, and equipment	<u>114,687</u>	<u>94,658</u>
Total unrestricted net assets	<u>680,584</u>	<u>621,163</u>
Temporarily restricted (Note 12)	151,459	137,952
Permanently restricted	<u>145,214</u>	<u>114,508</u>
Total net assets	<u>977,257</u>	<u>873,623</u>
Total liabilities and net assets	<u><b>\$ 1,242,229</b></u>	<u><b>\$ 1,112,069</b></u>

The accompanying notes are an integral part of these combined balance sheets.

**STATEMENTS OF ACTIVITIES** for the Year Ended August 31, 1999 with Comparative Totals for 1998 (In Thousands)

American Cancer Society, Inc., National Home Office, Foundation, and Chartered Divisions

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total All Funds			
				1999	%	1998	%
<b>REVENUE, GAINS, AND OTHER SUPPORT:</b>							
	(Note 1)						
Support from the public:							
Contributions	\$345,428	\$43,800	\$9,625	\$398,853		\$332,406	
Legacies and bequests	94,567	42,159	8,717	145,443		158,689	
Merchandise and other in-kind contributions, at fair value	24,893	2,055	0	26,948		21,482	
Contributed services, at fair value (Note 13)	0	6,231	0	6,231		4,161	
Contributions raised indirectly from federated and other fund-raising organizations (Note 5)	<u>20,076</u>	<u>22,482</u>	<u>0</u>	<u>42,558</u>		<u>41,597</u>	
Total support from the public	<u>484,964</u>	<u>116,727</u>	<u>18,342</u>	<u>620,033</u>		<u>558,335</u>	
Grants from government agencies	<u>395</u>	<u>5,620</u>	<u>0</u>	<u>6,015</u>		<u>4,344</u>	
Investment income (Note 3):							
Interest and dividends, net	35,628	2,476	225	38,329		36,108	
Net realized and unrealized investment (losses) gains	<u>(6,752)</u>	<u>1,267</u>	<u>12,145</u>	<u>6,660</u>		<u>7,841</u>	
Total investment income	<u>28,876</u>	<u>3,743</u>	<u>12,370</u>	<u>44,989</u>		<u>43,949</u>	
Other revenue	<u>887</u>	<u>54</u>	<u>0</u>	<u>941</u>		<u>502</u>	
<b>Total revenue, gains, and other support</b>	<b><u>515,122</u></b>	<b><u>126,144</u></b>	<b><u>30,712</u></b>	<b><u>671,978</u></b>		<b><u>607,130</u></b>	
Net asset restriction transfers:							
Satisfaction of activity restrictions	85,451	(85,451)	0	0		0	
Expiration of time restrictions	27,370	(27,186)	(184)	0		0	
National Home Office grant to Foundation	<u>(178)</u>	<u>0</u>	<u>178</u>	<u>0</u>		<u>0</u>	
<b>Total net asset restriction transfers</b>	<b><u>112,643</u></b>	<b><u>(112,637)</u></b>	<b><u>(6)</u></b>	<b><u>0</u></b>		<b><u>0</u></b>	
<b>EXPENSES:</b>							
Program services:							
Research—financial support provided to academic institutions and scientists to seek new knowledge about the causes, prevention, and cure of cancer and to conduct epidemiological and behavioral studies	107,665	0	0	107,665	19%	100,354	20%
Prevention—programs that provide the public and health professionals with information and education to prevent cancer occurrence or to reduce risk of developing cancer	111,693	0	0	111,693	20	97,889	20
Detection/treatment—programs that are directed at finding cancer before it is clinically apparent and that provide information and education about cancer treatments for cure, recurrence, symptom management, and pain control	81,167	0	0	81,167	15	68,971	14
Patient support—programs to assist cancer patients and their families and ease the burden of cancer for them	<u>96,780</u>	<u>0</u>	<u>0</u>	<u>96,780</u>	<u>17</u>	<u>84,145</u>	<u>17</u>
<b>Total program services</b>	<b><u>397,305</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>397,305</u></b>	<b><u>71</u></b>	<b><u>351,359</u></b>	<b><u>71</u></b>
Supporting services:							
Management and general—direction of the overall affairs of the Society through executive, financial, and administrative services	36,657	0	0	36,657	6	31,775	7
Fund-raising—programs to secure charitable financial support for programs and supporting services (equal to 21% and 20% in 1999 and 1998, respectively of total support from the public)	<u>129,187</u>	<u>0</u>	<u>0</u>	<u>129,187</u>	<u>23</u>	<u>110,482</u>	<u>22</u>
Total supporting services	<u>165,844</u>	<u>0</u>	<u>0</u>	<u>165,844</u>	<u>29</u>	<u>142,257</u>	<u>29</u>
<b>Total program and supporting services expenses</b>	<b><u>563,149</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>563,149</u></b>	<b><u>100%</u></b>	<b><u>493,616</u></b>	<b><u>100%</u></b>
Reorganization expenses (Note 15)	<u>2,155</u>	<u>0</u>	<u>0</u>	<u>2,155</u>		<u>2,774</u>	
Exchange transactions (Note 14):							
Income	(78,526)	0	0	(78,526)		(70,094)	
Expenses	<u>81,566</u>	<u>0</u>	<u>0</u>	<u>81,566</u>		<u>72,974</u>	
Net exchange transactions	<u>3,040</u>	<u>0</u>	<u>0</u>	<u>3,040</u>		<u>2,880</u>	
Change in net assets	59,421	13,507	30,706	103,634		107,860	
Net assets, beginning of year	<u>621,163</u>	<u>137,952</u>	<u>114,508</u>	<u>873,623</u>		<u>765,763</u>	
<b>Net assets, end of year</b>	<b><u>\$680,584</u></b>	<b><u>\$151,459</u></b>	<b><u>\$145,214</u></b>	<b><u>\$977,257</u></b>		<b><u>\$873,623</u></b>	

The accompanying notes are an integral part of these combined statements.

**COMBINED STATEMENTS OF FUNCTIONAL EXPENSES** *for the Year Ended August 31, 1999 with Comparative Totals for 1998 (In Thousands)*

American Cancer Society, Inc., National Home Office, Foundation, and Chartered Divisions

	Program Services				Supporting Services		Total Expenses	
	Research	Prevention	Detection/ Treatment	Patient Support	Management and General	Fund- raising	1999	1998
								(Note 1)
<b>EXPENSES:</b>								
Awards and grants for program services, net of cancellations	\$ 86,893	\$ 3,736	\$ 2,387	\$ 1,953	\$ 0	\$ 0	\$ 94,969	\$ 94,470
Salaries	6,197	44,675	33,800	38,767	16,337	47,641	187,417	164,042
Employee benefits	789	5,831	4,446	5,100	2,169	5,942	24,277	20,373
Payroll taxes	413	3,321	2,554	2,957	1,172	3,529	13,946	12,350
Professional fees	3,654	10,988	8,035	7,066	5,359	19,200	54,302	39,157
Supplies	212	2,520	1,916	2,431	851	3,248	11,178	7,838
Telephone	231	3,196	2,533	2,733	811	3,120	12,624	11,305
Postage and shipping	703	2,754	1,891	2,352	667	7,408	15,775	13,871
Occupancy	1,289	4,934	3,707	5,300	1,342	4,661	21,233	19,670
Information processing and other services and rentals	657	2,056	1,640	1,961	1,177	3,020	10,511	8,652
Printing, publications, films, etc.	1,089	12,221	4,950	4,054	748	12,647	35,709	32,143
Meetings and conferences, including related travel	650	3,473	2,289	2,549	1,247	4,203	14,411	12,163
Other travel	1,506	5,276	3,472	3,768	1,923	6,060	22,005	17,071
Miscellaneous	67	1,313	726	875	622	2,563	6,166	4,738
Special assistance to individuals	0	235	1,153	9,063	0	0	10,451	10,579
Insurance	22	420	315	358	335	475	1,925	1,808
Membership dues and subscriptions	25	161	94	117	149	208	754	642
Depreciation and amortization	1,594	3,982	3,125	3,706	1,364	3,671	17,442	16,492
Interest	121	375	269	404	212	442	1,823	2,091
Contributed services (Note 13)	1,553	226	1,865	1,266	172	1,149	6,231	4,161
<b>Total program and supporting services expenses</b>	<b>\$107,665</b>	<b>\$111,693</b>	<b>\$81,167</b>	<b>\$96,780</b>	<b>\$36,657</b>	<b>\$129,187</b>	<b>\$563,149</b>	<b>\$493,616</b>

The accompanying notes are an integral part of these combined statements.

**COMBINED STATEMENTS OF CASH FLOWS** *for the Year Ended August 31, 1999 with Comparative Totals for 1998 (In Thousands)*

American Cancer Society, Inc., National Home Office, Foundation, and Chartered Divisions

	<b>1999</b>	<b>1998</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		(Note 1)
Change in net assets	\$103,634	\$107,860
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	17,442	16,558
Net realized and unrealized investment gains	(6,660)	(7,841)
Other gains	(968)	(502)
Support from the public restricted for long-term investment	(18,342)	(22,454)
Interest and dividends restricted for long-term investment	(225)	(212)
Changes in assets and liabilities:		
Due from federated and other fund-raising organizations	(231)	(1,191)
Pledges and grants receivable, net	(717)	4,363
Inventory	(42)	788
Accrued interest and other receivables	(3,329)	2,383
Prepaid expenses and other assets	(4,396)	(5,328)
Legacies and bequests receivable	(2,564)	(3,560)
Government grants receivable	(370)	(481)
Beneficial interests in trusts	(19,685)	(30,474)
Research and other program awards and grants payable	14,871	12,498
Accounts payable and other accruals	13,950	5,800
Deferred income	<u>(696)</u>	<u>(436)</u>
Net cash provided by operating activities	<u>91,672</u>	<u>77,771</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of land, buildings, and equipment	(28,159)	(19,162)
Proceeds from sale of land, buildings, and equipment	2,980	1,798
Purchase of investments	(518,074)	(435,974)
Proceeds from maturity or sale of investments	<u>451,966</u>	<u>352,207</u>
Net cash used in investing activities	<u>(91,287)</u>	<u>(101,131)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Payments on note payable	0	(374)
Payments on mortgages and industrial development bonds	(7,945)	(2,419)
Proceeds from issuance of mortgages and industrial development bonds	1,448	6,130
Payments on capital lease obligations	(4,827)	(2,893)
Support from the public restricted for long-term investment	18,342	22,454
Interest and dividends restricted for long-term investment	<u>225</u>	<u>212</u>
Net cash provided by financing activities	<u>7,243</u>	<u>23,110</u>
Net increase (decrease) in cash	7,628	(250)
CASH, beginning of year	<u>40,705</u>	<u>40,955</u>
CASH, end of year	<u><b>\$48,333</b></u>	<u><b>\$40,705</b></u>
<b>SUPPLEMENTAL CASH FLOW INFORMATION:</b>		
Interest paid	<u>\$ 1,823</u>	<u>\$ 2,091</u>
Fixed assets acquired under capital lease obligations	<u>\$ 6,734</u>	<u>\$ 3,185</u>

*The accompanying notes are an integral part of these combined statements.*



## 1. ORGANIZATION AND ACCOUNTING POLICIES

### Organization

The American Cancer Society, Inc. (the "Society"), is the nationwide, community-based voluntary health organization dedicated to eliminating cancer as a major health problem by preventing cancer, saving lives, and diminishing suffering from cancer through research, education, advocacy, and service.

### Principles of Combination

The accompanying combined financial statements include the accounts of the American Cancer Society, Inc. National Home Office (the "National Home Office") and the American Cancer Society Foundation (the "Foundation"), which are New York not-for-profit corporations, and its 17 Chartered Divisions (the "Divisions"), which are separately incorporated. All significant intra-Society accounts and transactions have been eliminated in the accompanying combined financial statements.

### Basis of Accounting

The Society prepares its financial statements in accordance with generally accepted accounting principles, which require that management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of receipts and disbursements during the reporting period. Actual results could differ from initial estimates. In the opinion of the Society's management, such differences would not be significant.

### Presentation of Certain Prior Year Information

The fiscal year 1999 financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Society's financial statements for the year ended August 31, 1998, from which the summarized information was derived. Certain reclassifications have been made to prior year amounts to conform with the current year presentation.

### Investments

The National Home Office maintains two combined investment pools: the Multiple Combined Investment Pool ("CIP") and the Combined Endowment Pool ("CEP"). The CIP consists generally of short-term securities of the U.S. government, prime banker's acceptances, prime commercial paper, certificates of deposit, and similar debt securities which provide current market returns. The CEP consists generally of longer-term investments, including publicly traded stocks and U.S. government bonds, which are reflected as permanently restricted net assets in the accompanying combined balance sheet. The investment objectives of the CEP and CIP are set to provide maximum current income within approved risk parameters.

Interest and dividend income is presented net of investment advisory fees. Investment advisory fees paid by the Society were \$1,474,000 for the year ended August 31, 1999. Total earnings on unrestricted and temporarily restricted investments are credited to unrestricted net assets unless otherwise designated by the donor. Interest and dividend income on permanently restricted investments is credited to unrestricted net assets unless otherwise designated by

the donor. In accordance with the Society's interpretation of applicable laws and unless designated otherwise by the donor, net gains/losses on permanently restricted investments are charged or credited to permanently restricted net assets to maintain the purchasing power of the donor's gift. The Society's investments do not have a significant concentration of credit risk within any industry, geographic location, or specific institution.

### Fair Value of Financial Instruments

The carrying values of all of the Society's financial instruments in the accompanying combined balance sheet approximate their respective estimated fair values at August 31, 1999. Fair values are estimated based on current market rates and prices.

### Pledges Receivable

The Society reports unconditional promises to give as contributions. If pledges are expected to be collected in less than one year, they are recorded at the estimated amount to be ultimately realized. If pledges are to be paid to the Society over a period of years, they are recorded at the present value of their estimated future cash flows using a discount rate of 5%, which approximates the rate of return on U.S. government securities and is commensurate with the risk that management associates with the ultimate collection of the receivable.

### Land, Buildings, and Equipment and Depreciation

Land, buildings, and equipment are capitalized at cost and are included in unrestricted net assets. Contributions of long-lived assets are recorded at the estimated fair market value at the date of receipt and are recorded as unrestricted support provided they are contributed without donor restrictions. If donors contribute long-lived assets with stipulations as to how long the assets must be used or with any other restrictions, such contributions will be reported as restricted support.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets (buildings—20 to 40 years; office furniture and other fixed assets—3 to 10 years; and leasehold improvements—life of lease).

### Contributed Merchandise and Other In-Kind Contributions

Contributed merchandise and other in-kind contributions, including materials remaining in inventory at year-end, are reflected as contributions at their estimated fair values when received or when an unconditional pledge to contribute has been made.

### Contributed Services

The Society recognizes the estimated fair value of those contributed services that meet the following criteria:

- The services received either create or enhance nonfinancial assets, or
- The services received require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by contribution.

### Legacies and Bequests

The Society is the beneficiary under various wills and trust agreements, the total realizable amounts of which are not presently determinable. The Society's share of such legacies and bequests is recorded when the probate courts declare the testamentary instrument valid and the proceeds are measurable.

**Beneficial Interests in Trusts**

The Society receives contributions under various types of charitable remainder trusts and perpetual trusts, which are administered by trustees and invested in debt and equity securities. The estimated fair value of these trusts as of August 31, 1999 was as follows (in thousands):

Charitable remainder trusts	\$ 40,799
Perpetual trusts	<u>82,769</u>
Total beneficial interests in trusts	<u>\$123,568</u>

Under charitable remainder trusts, a donor or third-party beneficiary receives specified distributions over the term of the trust agreement. Upon expiration of the specified distribution period, as defined, the Society receives a designated portion of the assets remaining in the trust. The Society records the estimated fair value of its interest as temporarily restricted contribution revenue, based on the present value of the estimated future receipts discounted at 5%, which approximates the rate of return on U.S. government securities and is commensurate with the risk that management associates with the ultimate collection of the trust. Subsequent adjustments to the assets' carrying value are recognized as temporarily restricted contribution revenue.

Under perpetual trusts, the Society has the irrevocable right to receive, in perpetuity, the income earned or a portion thereof on the trust assets. Initial recognition of the assets' carrying value is based on the estimated fair value of the Society's interest in the trust and is recognized as either permanently restricted contribution revenue or legacy and bequest revenue, depending on the nature of the gift. Subsequent adjustments to the assets' carrying value are recognized as permanently restricted unrealized gain or loss. Income received from the trust is recognized as interest income when earned and is classified as temporarily restricted or unrestricted income, depending on donor-imposed restrictions. For the year ended August 31, 1999, the Society recorded interest and dividend income and unrealized gains from perpetual trusts of \$2,943,000 and \$9,443,000, respectively.

The Society is also the beneficiary of gifts through testamentary and other trusts in which the gift assets are held by trustees and are administered for the benefit of the Society and other beneficiaries. The present and current fair values of the Society's beneficial interests in these trusts are not currently determinable and/or conditional and, accordingly, have not been recognized.

**Awards and Grants**

The Society makes awards and grants for research, education, and medical projects in the field of cancer. The minimum amount for which the Society is obligated is recorded upon the grant's approval. Awards and grants payable beyond one year are reported at the present value of their estimated future cash flows using a discount rate of 5%, which approximates the rate of return on U.S. government securities.

**Accounting for Contributions**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or are restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. Unconditional promises to give without a stipulated due date and for which the Society has met all conditions precedent to receipt of the contribution prior to the Society's fiscal year-end are classified as unrestricted net assets.

A donor restriction expires when a stipulated time restriction ends or when a purpose restriction is accomplished. Upon expiration, temporarily restricted net

assets are reclassified to unrestricted net assets and are reported in the combined statement of activities as net assets released from restrictions. Restricted contributions received in the same year in which the restrictions are met are recorded as an increase to restricted support at the time of receipt and as net assets released from restrictions.

Permanently restricted net assets include the principal amount of contributions accepted with the stipulation from the donor that the principal be maintained in perpetuity and only the income from investment thereof be expended for other general purposes or a purpose specified by the donor.

**Statement of Cash Flows**

For purposes of reporting cash flows, cash includes cash on hand and demand deposits with banks or other financial institutions.

**Conflict of Interest**

Included among the Society's board members, committee members, and officers are volunteers from the financial, medical, and scientific communities who provide valuable assistance to the Society in the development of policies and programs and in the evaluation of awards and grants. The Society has a conflict-of-interest policy whereby board members, committee members, officers, and staff must advise the board of any direct or indirect interest in any transaction or relationship with the Society and are disqualified from participation in discussions and decisions regarding any action affecting their individual, professional, or business interests.

**2. MULTIPLE COMBINED INVESTMENT POOL**

The National Home Office, Foundation, and Divisions participate in an investment pool maintained by the National Home Office and managed by independent investment advisers. The CIP is composed of a short-term pool and an intermediate-term pool. The intermediate-term pool provides an opportunity for increased returns over the short-term pool. The investment objectives of the CIP are set to provide short-term and intermediate-term investment returns, liquidity, and market value stability commensurate with targeted durations.

As of August 31, 1999, assets of the CIP consisted of the following investments (in thousands):

U.S. government and government agency obligations	\$ 182,739
Bankers Trust Institutional Liquid Assets Fund	19,010
Commercial paper	98,247
Corporate bonds	<u>72,582</u>
	372,578
Less National Home Office issued and outstanding checks	<u>(6,583)</u>
	<u>\$ 365,995</u>

As part of the cash management system at the National Home Office, zero-balance checking accounts are maintained. As checks are presented against these accounts, moneys are transferred from the CIP. At August 31, 1999, checks issued by the National Home Office which had not been presented for payment have been reflected as a reduction in the CIP balances in the accompanying combined balance sheet.

## NOTES TO COMBINED FINANCIAL STATEMENTS *August 31, 1999*

American Cancer Society, Inc., National Home Office, Foundation, and Chartered Divisions

### 3. RETURN ON CASH AND INVESTMENTS

Cash and investments at August 31, 1999 and related income for the year ended August 31, 1999 for the Society consisted of the following (in thousands):

	Interest and Dividends	Net Realized Unrealized Gains (Losses)	Fair Value
Equity securities	\$ 961	\$ 4,762	\$ 23,670
Cash and money market funds	3,577	0	121,573
Commercial paper and other short-term investments	4,182	0	120,630
Time deposits	1,322	143	38,316
U.S. government and govern- ment agency obligations	18,848	(6,684)	365,955
Corporate bonds	6,190	(1,791)	105,126
Mutual funds	77	248	3,087
Other investments	<u>229</u>	<u>539</u>	<u>8,194</u>
	35,386	(2,783)	<u>\$786,551</u>
Beneficial interests in trusts	<u>2,943</u>	<u>9,443</u>	
Total cash and investment income	<u>\$38,329</u>	<u>\$ 6,660</u>	

The fair value of investments, exclusive of equity securities, cash, money market funds, mutual funds, and certain other investments, at August 31, 1999 by contractual maturity is shown below (in thousands). Eventual maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

Due in one year or less	\$ 261,817
Due after one year through five years	297,148
Due after five years through ten years	31,814
Due after ten years	<u>39,860</u>
Total	<u>\$630,639</u>

### 4. PLEDGES AND GRANTS RECEIVABLE

As of August 31, 1999, the expected future cash receipts from unconditional pledges and grants receivable were as follows (in thousands):

Due in one year or less	\$ 15,453
Due after one year through five years	7,455
Due after five years	3,820
Less estimated uncollectible amounts	<u>(311)</u>
Total	<u>\$ 26,417</u>

The present value of the unconditional pledges and grants receivable as of August 31, 1999 is \$23,290,000. The discount of \$3,127,000 will be recognized as contribution or grant income in fiscal years 2000 through 2031 as the discount is amortized using an effective yield over the expected collection period of the receivables.

### 5. FEDERATED AND OTHER FUND-RAISING AGREEMENTS

The Society's Divisions have agreements with various United Way agencies across the United States to participate in concurrent solicitations for contributions from employees of businesses and industrial communities. Under the terms of the agreements, the Divisions do not become a member of the United Way but, rather, only a campaign participant. The amount the Society recognized as support from the United Way campaigns of \$37,941,000 for the fiscal year ended August 31, 1999 is based primarily upon formulas contained in the agreements. The Divisions received \$4,617,000 from other fund-raising organizations for the fiscal year ended August 31, 1999.

### 6. LAND, BUILDINGS, AND EQUIPMENT

At August 31, 1999, the fixed assets of the Society were as follows (in thousands):

Land	\$ 23,940
Buildings and leasehold improvements	137,376
Electronic data processing equipment, office furniture, fixtures, and vehicles	76,052
Equipment under capital leases	14,149
Less accumulated depreciation	<u>(98,755)</u>
Net land, buildings, and equipment	<u>\$152,762</u>

## NOTES TO COMBINED FINANCIAL STATEMENTS August 31, 1999

American Cancer Society, Inc., National Home Office, Foundation, and Chartered Divisions

Mortgages and industrial development bonds outstanding at August 31, 1999 are as follows (in thousands):

Development Authority of DeKalb County, Georgia, Industrial Development Bonds, with a variable interest rate (3.3% as of August 31, 1999) and collateralized by the office building and all related land, furnishings, and equipment and a \$11,827,000 letter of credit, which will expire on May 31, 2003 unless terminated earlier; as of August 31, 1999, there was no balance outstanding on the letter of credit; interest payable monthly with principal payments due annually pursuant to a sinking fund redemption schedule through 2013	\$11,600
Industrial Development Authority of the City of St. Louis, Missouri Bonds, with a variable interest rate (3.55% as of August 31, 1999) and collateralized by a \$2,100,000 letter of credit, which will expire on September 5, 2006 unless terminated earlier; as of August 31, 1999, there was no balance outstanding on the letter of credit; interest payable monthly with principal payments due in varying installments through 2018	2,100
Development Authority of DeKalb County, Georgia, Industrial Development Bonds, with a variable interest rate (3.3% as of August 31, 1999) and collateralized by a \$3,155,000 letter of credit, which will expire on September 15, 2002 unless terminated earlier; as of August 31, 1999, there was no balance outstanding on the letter of credit; interest payable monthly with principal payments of \$100,000 due each year in fiscal years 2000 through 2008 and of \$200,000 due each year in fiscal years 2009 through 2018	2,900
Housing Authority of the Birmingham District, with an interest rate of 5.53% per annum and collateralized by the existing office building and pledges which have been made related to the Hope Lodge fund; interest payable monthly with principal payments due annually in varying installments through 2004	3,909
Division mortgages, at interest rates ranging from 3.3% to 9.2%, payable in monthly or quarterly installments of varying amounts through 2018	9,184
Bond issuance costs	(135)
	<u>\$29,558</u>

Annual payments as of August 31, 1999, excluding interest, are payable as follows (in thousands):

Fiscal year:	
2000	\$ 4,843
2001	1,679
2002	1,683
2003	2,028
2004	4,271
Thereafter	<u>15,189</u>
Total	<u>\$ 29,693</u>

The mortgages and industrial development bonds are secured by the related properties, which have a net book value of \$19,209,000.

In addition, the Society has capital lease agreements for computer and other equipment which expire on various dates through fiscal 2004. Future minimum lease payments as of August 31, 1999 total approximately \$9,127,000, including interest of \$610,000, and are payable as follows (in thousands):

Fiscal year:	
2000	\$ 4,727
2001	3,276
2002	1,044
2003	65
2004	<u>15</u>
Total	<u>\$ 9,127</u>

The present value of the remaining minimum lease payments as of August 31, 1999 was \$8,517,000. The net book value of the related equipment at August 31, 1999 was \$8,195,000.

### 7. AWARDS AND GRANTS PAYABLE

Under the terms of agreements with 22 educational and medical institutions, the Society is obligated to pay the annual stipends of 26 American Cancer Society Cancer Research Professorships covering periods of up to five years. In addition, the Society is contingently liable for \$8,983,000 for future stipends for these 26 professorships.

The aggregate amount for which the Society is obligated under its agreements as of August 31, 1999 is \$125,189,000. The present value of the awards and grants payable as of August 31, 1999 is \$118,384,000. The discount of \$6,805,000 will be recognized as awards and grants expense in fiscal years 2000 through 2004 as the discount is amortized using an effective yield over the expected life of the awards and grant contracts. The awards and grants are payable as follows (in thousands):

Fiscal year:	
2000	\$ 66,465
2001	40,865
2002	16,578
2003	925
2004	<u>356</u>
Total	<u>\$ 125,189</u>

## NOTES TO COMBINED FINANCIAL STATEMENTS August 31, 1999

American Cancer Society, Inc., National Home Office, Foundation, and Chartered Divisions

### 8. PENSION PLANS

The Society maintains defined benefit pension plans (the "Plans") which cover substantially all employees of the National Home Office, Foundation, and Divisions. The benefits are based on years of service and the employees' average compensation over the highest consecutive 36 months during the last 10 years of service. Accrued pension costs are funded currently and are actuarially calculated as a percentage of participants' payroll. At August 31, 1999, the Society has accrued \$14,374,000 due to the Plans related to plan years 1998 and 1999. These contributions are scheduled to be paid in fiscal years 2000 and 2001 and, accordingly, are not included in plan assets. Employees working beyond the normal retirement age of 65 continue to earn credits for additional service and salary increments. The Plans' assets consist primarily of investments in pooled debt securities funds, common stocks,

pooled common stock funds, U.S. government securities, federal agency obligations, corporate bonds, and discounted notes.

The Society also maintains a nonqualified unfunded supplemental executive retirement plan ("SERP") for certain employees whose income exceeds the maximum income which can be considered under the Plans.

In April 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards ("SFAS") No. 132, "Employers' Disclosures About Pensions and Other Postretirement Benefits." This statement only modifies the disclosures companies make about their pension and nonpension retirement benefit plans and does not alter the accounting for these plans. The purpose of the modification in the disclosures is to provide more uniform disclosures and better information about the economics of these plans rather than focusing on current period cost. The Society adopted SFAS No. 132 during fiscal 1999.

Information related to the Society's Plans and SERP as of August 31, 1999 and the related changes during the year ended August 31, 1999 was as follows (in thousands):

	Retirement Benefits	Supplemental Retirement Plan	Total
Benefit obligation at beginning of year	\$ 223,387	\$ 3,927	\$227,314
Service cost	10,404	234	10,638
Interest cost	14,928	258	15,186
Amendments	0	2,931	2,931
Actuarial loss (gain)	25,938	(789)	25,149
Benefits paid	(13,978)	(203)	(14,181)
Benefit obligation at end of year	<u>\$260,679</u>	<u>\$ 6,358</u>	<u>\$267,037</u>
Fair value of plan assets at beginning of year	\$ 233,147	\$ 0	\$233,147
Actual return on plan assets	54,853	0	54,853
Employer contributions	7,481	203	7,684
Benefits paid	(13,978)	(203)	(14,181)
Fair value of plan assets at end of year	<u>\$281,503</u>	<u>\$ 0</u>	<u>\$281,503</u>
Reconciliation of funded status:			
Funded status	\$ 20,824	\$ (6,358)	\$14,466
Unrecognized actuarial loss	25,250	1,046	26,296
Unrecognized prior service cost	8,376	3,527	11,903
Unrecognized transition amount	(26,823)	0	(26,823)
Accrued pension liability	(14,374)	0	(14,374)
Net amount recognized	<u>\$ 13,253</u>	<u>\$ (1,785)</u>	<u>\$11,468</u>
Amounts recognized in the balance sheet consist of:			
Prepaid pension cost	\$ 27,627	\$ 0	\$27,627
Accrued benefit liability	(14,374)	(1,785)	(16,159)
Net amount recognized	<u>\$ 13,253</u>	<u>\$ (1,785)</u>	<u>\$11,468</u>
Weighted average assumptions as of August 31:			
Discount rate	7.50%	7.50%	
Expected return on plan assets	8.50%	N/A	
Rate of compensation increase	3.50%-6.75%	8.00%	
Components of net periodic benefit cost:			
Service cost	\$ 10,404	\$ 234	\$10,638
Interest cost	14,928	258	15,186
Expected return on plan assets	(20,174)	0	(20,174)
Amortization of prior service cost	843	240	1,083
Amortization of transition amount	(2,853)	0	(2,853)
Recognized net actuarial loss	1,065	296	1,361
Net periodic benefit cost	<u>\$ 4,213</u>	<u>\$ 1,028</u>	<u>\$ 5,241</u>

## NOTES TO COMBINED FINANCIAL STATEMENTS August 31, 1999

American Cancer Society, Inc., National Home Office, Foundation, and Chartered Divisions

### 9. POSTRETIREMENT NONPENSION BENEFITS

The Society maintains an unfunded postretirement benefit plan for employees of the National Home Office, Foundation, and 14 participating Divisions. Employees hired prior to January 1, 1995 retiring from the Society on or after attaining age 55 who have rendered at least ten years of service to the Society receive postretirement medical, dental, and life insurance coverage. In addition, 3 Divisions maintain separate postretirement benefit plans in which participation in the plans begins on or after attaining age 55 and the completion of years of service, as defined. These benefits are subject to deductibles, copayment provisions, and other limitations. The Society may amend or change the plans periodically.

The Society accrues the cost of providing postretirement benefits for medical, dental, and life insurance coverage over the active service period of the employee and is amortizing the unrecognized transition obligation over 20 years. The medical care benefits offered by the Society are fixed. Therefore, an increase in the trend rate for health care costs would have no effect on the accumulated postretirement benefit obligation or the net periodic postretirement benefit cost. The accumulated postretirement benefit obligation as of August 31, 1999 and the related changes during the year ended August 31, 1999 consisted of the following components (in thousands):

Benefit obligation at beginning of year	\$ 25,746
Service cost	788
Interest cost	1,723
Assumption changes	227
Actuarial gain	(1,768)
Benefits paid	<u>(1,588)</u>
Benefit obligation at end of year	<u>\$ 25,128</u>
Fair value of plan assets at beginning of year	\$ 0
Employer contributions	1,588
Benefits paid	<u>(1,588)</u>
Fair value of plan assets at end of year	<u>\$ 0</u>
Reconciliation of funded status:	
Funded status	\$ (25,128)
Unrecognized actuarial gain	(808)
Unrecognized prior service cost	2,586
Unrecognized transition amount	<u>10,113</u>
Net amount recognized	<u>\$ (13,237)</u>
Discount rate	7.5%
Rate of compensation increase	3.50%-6.75%
Components of net periodic benefit cost:	
Service cost	\$ 788
Interest cost	1,723
Amortization of prior service cost	259
Amortization of transition amount	813
Recognized net actuarial loss	<u>(30)</u>
Net periodic benefit cost	<u>\$ 3,553</u>

### 10. DEFERRED INCOME

As of August 31, 1999, the Society has received \$7,528,000 related primarily to special events which will take place during fiscal year 2000 and \$1,619,000 related to grants from private foundations for which related grant expenditures have not been incurred. The Society will recognize the deferred income as revenue once the related events occur or related grant expenditures are incurred.

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### 11. OPERATING LEASES

The Society occupies office and warehouse space under operating leases which are subject to escalation and which expire on various dates through fiscal 2005. In addition, the Society leases telecommunication systems related to its National Cancer Information Center. Future minimum annual rentals are as follows as of August 31, 1999 (in thousands):

Fiscal year:	
2000	\$ 13,930
2001	10,539
2002	7,504
2003	5,141
2004	3,361
2005	<u>1,696</u>
Total	<u>\$ 42,171</u>

Rental expense from operating leases for fiscal 1999 was \$14,889,000.

### 12. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at August 31, 1999 have been restricted by donors to be spent as follows (in thousands):

Research	\$ 47,254
Time restrictions	35,859
Patient support	19,695
Assets subject to life interests	13,845
Specific geographic locations	10,484
Fixed assets	8,889
Prevention	7,953
Detection/treatment	5,791
Other	<u>1,689</u>
Total	<u>151,459</u>

### 13. CONTRIBUTED SERVICES

Services have been contributed by a substantial number of volunteers who have contributed significant amounts of their time and services to the Society. The Society has valued and recorded \$3,129,000 of contributed services provided by scientific peer reviewers, which consist of medical doctors, Ph.D.s, professors, and biomedical and psychosocial professions, social welfare service providers, and other professional service providers whose efforts are necessary for the Society to carry out its programs and supporting services. In addition, the Society has valued and recorded \$3,102,000 of advertising time and services for public service announcements which are necessary for the Society to carry out its programs and supporting services.

### 14. EXCHANGE TRANSACTIONS

Exchange transactions are reciprocal transfers in which each party receives and sacrifices something of equal value, as opposed to a nonreciprocal transaction (i.e., a contribution) in which a donor provides resources to support the Society's mission and expects to receive nothing of direct value in exchange. Costs related to exchange transactions that benefit the Society or the beneficiaries of the Society's programs are included with the Society's program or supporting service expenses. Costs of exchange transactions which benefit only the recipient of the exchange and not the Society's programs or service beneficiaries are reported separately as expenses related to exchange transactions.

**Exchange transaction revenues and expenses for fiscal year 1999 were as follows (in thousands):**

	Exchange Revenues	Exchange Expenses	Program or Supporting Services Expenses
Special events	\$ 42,749	\$ 42,749	\$ 0
Donated merchandise:			
Sales	24,173	24,173	0
Selling and administration	0	12,113	0
Sales to third parties	3,482	1,207	501
Rental income	1,305	290	0
Program services fees	1,678	266	1,864
Royalty income	5,139	768	0
	<u>\$78,526</u>	<u>\$81,566</u>	<u>\$2,365</u>

**Benefits Purchased by Donors at Special Events**

The Society conducts special events in which a portion of the gross proceeds paid by the participant represent payment for the direct cost of the benefits received by the participant at the event. Unless a verifiable, objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at special events is measured at the actual cost to the Society. The direct cost of the special events which ultimately benefit the donor rather than the Society are recorded as exchange transaction revenue and exchange transaction expense. All proceeds received in excess of the direct costs are recorded as special events support in the accompanying combined statement of activities. In fiscal 1999, the Society reported special events support of \$214,511,000.

**Sales of Donated Merchandise**

The Society operates Discovery Shops and Cars for a Cure programs where donations of used clothing, automobiles, and other merchandise are solicited from the public. The Society sells this donated merchandise to generate cash, which can then be used to support the Society's programs. In fiscal 1999, the Society recorded \$26,948,000 as merchandise and other in-kind contributions in the accompanying combined statement of activities. Sales and the corresponding cost of sales of contributed merchandise were recorded as exchange transaction revenue and exchange transaction expense. Selling and administration expenses incurred to operate the Discovery Shop and Cars for a Cure programs were also recorded as exchange transaction expense. Net cash proceeds realized for use in the Society's programs from the Discovery Shop and Cars for a Cure programs were \$12,060,000.

**15. DIVISION REORGANIZATIONS**

During fiscal 1999, the Society continued a program of resource realignment designed to position more resources (people and dollars) to where the cancer problems exist and to where lives can be saved through consolidation of Divisions. During fiscal 1999, the Society incurred \$2,155,000 of expenses related to this effort.

**16. ALLOCATION OF JOINT COSTS**

In fiscal 1999, the Society incurred joint costs of \$7,666,000 for informational materials and activities that included fund-raising appeals. Of those costs, \$4,907,000 was allocated to fund-raising, \$1,368,000 to prevention, \$659,000 to detection/treatment, \$712,000 to patient support, and \$20,000 to management and general.

In March 1998, the American Institute of Certified Public Accountants ("AICPA") issued Statement of Position ("SOP") No. 98-2, "Accounting for Costs of Activities of Not-for-Profit Organizations and State and Local Governmental Entities That Include Fund-Raising." This SOP details specific guidelines for the accounting and reporting for an entity's joint activities costs. This SOP amends existing guidance in AICPA literature and supercedes SOP No. 87-2, "Accounting for Joint Costs of Informational Materials and Activities of Not-for-Profit Organizations That Include a Fund-Raising Appeal," and is effective for years beginning after December 15, 1998. The Society will adopt SOP 98-2 in fiscal 2000; adoption of this statement is not expected to have a material impact on the Society's financial statements.

**17. CONTINGENCIES**

The Society is party to legal claims arising in the course of its normal business activities. Although the ultimate outcome of these claims cannot be ascertained at this time, it is the opinion of management that none of these matters, when resolved, will have a material effect on the Society's net assets.

**18. TAX STATUS**

The Society is a nonprofit voluntary health agency exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. The Society has been classified as an organization that is not a private foundation and has been designated as a "publicly supported" organization. The Society prepares separate Internal Revenue Service Forms 990 for the National Home Office and Foundation and a combined Form 990 for the Divisions.

## NOTES TO COMBINED FINANCIAL STATEMENTS *August 31, 1999*

American Cancer Society, Inc., National Home Office, Foundation, and Chartered Divisions

### 19. NATIONAL HOME OFFICE, FOUNDATION, AND DIVISIONS SUMMARIZED FINANCIAL DATA

The following is summarized financial data for the National Home Office (including American Cancer Society of Puerto Rico, Inc.), Foundation, and Divisions as of August 31, 1999 and for the year then ended (in thousands):

	National Home Office	Foundation	Divisions	Eliminations	Total
Total assets	\$651,267	\$31,797	\$889,461	\$ (330,296)	\$ 1,242,229
Total liabilities	\$339,178	\$ 9,766	\$246,324	\$ (330,296)	\$ 264,972
Total net assets	\$312,089	\$22,031	\$643,137	\$ 0	\$ 977,257
Total revenue, gains, and other support	\$283,185	\$16,219	\$651,505	\$ (278,931)	\$ 671,978
Total expenses, net of exchange transaction income	\$254,341	\$ 8,354	\$584,580	\$ (278,931)	\$ 568,344

## REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

*To the American Cancer Society, Inc.:*

We have audited the accompanying combined balance sheet of the AMERICAN CANCER SOCIETY, INC. NATIONAL HOME OFFICE, FOUNDATION, AND CHARTERED DIVISIONS as of August 31, 1999 and the related combined statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the American Cancer Society, Inc. National Home Office, Foundation, and Chartered Divisions as of August 31, 1999 and the changes in their net assets and their cash flows for the year then ended in conformity with generally accepted accounting principles.

Arthur Andersen LLP  
Atlanta, Georgia  
December 10, 1999



## \$100,000+ EXCALIBUR CONTRIBUTORS

This Excalibur recognition was established in 1986 to acknowledge those distinguished individuals who have cumulatively contributed through the years more than \$100,000 in support of American Cancer Society programs. In 1995, corporations and foundations were included in this category.

### CALIFORNIA

Alameda County Cancer League  
Anonymous (3)  
Anonymous, In Memory of  
Matilda Kleeberg  
Amgen  
Pearl Arden  
Ms. Harriet Arneson  
Thomas Beattie  
Virgil Benton  
Mr. & Mrs. George Billings  
Blue Cross of California  
Bossen Foundation  
Barbara Bradshaw  
Dr. Marvin and Sally W. Brooks  
Brookes & Owen Brown  
Donald Brummett  
California Community Foundation  
Dennis Carroll  
Alf & Doris Carstens  
Cast Art Industries  
Cittis' Florist  
Mr. & Mrs. Pierre P. Claeysens  
Conner Peripherals  
Mr. & Mrs. John C. Crean  
D.A.V. Industries, Inc.  
The Davila Family  
Mr. & Mrs. Eddie Dawes  
Deloitte & Touche  
Eisenhower Medical Center  
James R. and Brenda L. Finitz  
Don & Doris Fisher  
Mr. & Mrs. Leslie Garton  
Golden Bear Travel  
Richard & Rhoda Goldman  
Foundation  
Mr. & Mrs. George C. Good  
Elizabeth Q. Grount  
Dorothy Harren  
Mr. & Mrs. Richard E. Haughey  
HN and Frances C. Berger  
Foundation:  
Mr. & Mrs. Ronald M. Auen  
Christopher & Carol McGuire  
Mr. & Mrs. Douglas A. Vance  
Mr. & Mrs. Lewis Webb, Jr.  
Harmon Hook  
Mr. & Mrs. Allan K. Jonas  
KABC-TV  
Mr. & Mrs. Mickey Kaplan  
Carolyn Katzin, MSPH, CNS  
KICU Television  
KRCA-TV Channel 62  
Kristi Yamaguchi's Always Dream  
Foundation  
Joseph La Bue  
Miriam Lar Rieu  
Loma Linda University  
Medical Center  
Macy's West  
Marini Family Trust  
Marx Foundation  
Mrs. Carol Meier  
Bill Monovich-Spring Lamb BBO  
PacifiCare Health Systems  
Paramount's Great America  
Parsons Federal Credit Union  
Delphine Patterson  
Diane Plumlee  
John Pollard  
Mrs. Gloria Rosen  
James Rutledge  
Mrs. Harriet H. Samuelson  
San Francisco Foundation  
San Francisco Glants  
Mrs. Rowena Yarak Schaber  
Frank K. and Esle H. Schilling Estate  
Mr. D. Earl Schuyler  
G. Edward Seidel  
Jane L. Simmons  
Mary Ann Smith  
Raymond Sphar, Marcia Halligan &  
Family  
Fran & Ray Stark Foundation  
Tenet  
Therma, Inc.  
Tracinda Corporation  
Mrs. Mary Van Geffen  
Mr. & Mrs. Cornelius Vanderstar  
Mr. & Mrs. Kevin Walsh  
Westside Distributors  
Mrs. Olive Stanfield Wherry

### EASTERN

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The Elmer & Mamdouha Bobst  
Foundation, Inc.  
Bristol-Myers Squibb Company  
Champion Mortgage  
The Edouard Foundation, Inc.  
George Hall  
Mrs. Melville W. Hall  
George Harms Construction  
Company, Inc.  
Mr. & Mrs. H. Aaron Henschel  
The Jaqua Foundation  
Johnson & Johnson  
The Robert Wood Johnson  
Foundation  
Jones New York Stores  
The F.M. Kirby Foundation  
Mr. & Mrs. John J. Kirby, Jr.  
Mr. & Mrs. E. Donald Lass  
Gerrie & Bob Martin  
Meridian Health System  
Mr. & Mrs. Maurice Meyer, III  
Mutual of America, NY  
Newsweek  
Louis P. & Christina Padula  
Foundation  
Mr. & Mrs. Laurance S. Rockefeller  
Lilli & Allan Shedlin  
David S. & Janet R. Sheridan  
The Siebold Family  
Ann L. & Herbert J. Siegel  
Herbert G. Stolzer  
J.T. Tai & Co., Foundation, Inc.  
Toppan Printing Company  
(America), Inc.  
Tsumura International, Inc.  
Warner Lambert Company  
Dorothy T. Yard

**FLORIDA**  
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Harry Balcom  
Mr. & Mrs. J.W. Barfield  
Mr. George Batchelor  
Mr. & Mrs. Frederick R. Bittmann  
Bouchard Transportation Co. Inc.  
City Gas Company  
CSX Transportation Inc.  
A.D. Davis Family  
Doral Ryder Open Foundation Inc.  
Dunspaugh-Dalton Foundation, Inc.  
Jessie Ball Dupont  
Mr. Willis H. Dupont  
Mr. & Mrs. Edward Duryea  
Ms. Flo Edwards  
Jefferson L. Ford III Memorial  
Foundation  
Mr. & Mrs. Warren Foster  
GFWC Florida Federation of Women's  
Club  
Goldstar Dodge Dealer  
Herman Goldman Foundation  
Mrs. Evelyn Grader  
Mr. & Mrs. G. Robert Grolbert  
H. Lee Moffitt Cancer Center  
Health Foundation of South Florida  
Mr. & Mrs. Jack H. Heinzl  
Mr. & Mrs. Robert Hill  
Holmes Regional Medical Center  
Dr. & Mrs. Glenn Hooper  
Mr. & Mrs. Melvin Intriligator  
JM Family Enterprises Inc.  
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Mrs. Kathleen Kennedy-Olsen  
David Kopf  
Robert Lurvey  
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Nissan Motor Corporation, SE Region  
North Broward Hospital District  
Northern Trust Bank  
Lt. Col. & Mrs. Morris M. Piatt  
Ricard G. Post  
Publix Super Market Charities  
William Reider  
Hazel M. Ross Charitable Foundation  
Rotary Club of Orange Park  
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Sensormatic Electronics Corporation  
Festus Stacy Foundation TWO  
SunTrust Banks Inc.

The Palmetto Club  
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Mr. & Mrs. John D. Uible  
United States Sugar Corporation  
United Technologies  
University Community Hospital  
Densch Wayne Inc.  
Mr. & Mrs. Michael Weintraub  
Mr. & Mrs. Lawrence E. Whelan  
Mr. & Mrs. Willard Wilson  
Winn Dixie  
Winn-Dixie Stores Inc., Jacksonville  
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Boyer USA Resorts  
Mrs. Barbara Burris  
Allen B. Cutting Foundation  
Eli Lilly & Company Foundation  
Farm Bureau Insurance Company of  
Michigan  
Lincoln National Foundation, Inc.  
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St. Vincent Hospital Foundation  
St. Vincent Hospitals and Health  
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Walter & Harriett Wendholt

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DST Systems, Inc.  
Emerson Electric Company  
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The Hall Family Foundation  
Kansas City Southern Industries  
William T. Kemper Foundation  
Landmarks Historic Trust  
Mr. & Mrs. Robert Lee  
The Leu Foundation  
John and Fred Lodder  
Mark Twain Bancshares  
Jean and Jim McGill  
Nichols Company Charitable Trust  
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Jerry Reece  
St. Louis Charitable Foundation  
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Victor E. Speas Foundation  
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Rose Teicher

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Keith Bronstein  
A. G. Cox Charity Trust  
Dr. Ralph & Marian Falk Medical  
Research Foundation  
Luster Products-Black Heritage  
Foundation  
Dr. Scholl Foundation  
Vision Tek Foundation

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AstraZeneca  
Eugene Chaney Foundation Ltd.  
DuPont  
Jessie Ball du Pont Fund  
First Virginia Bank  
Carl M. Freeman  
Melvin and Estele Gelman  
Foundation, Inc.  
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Mrs. Elsie Jones  
The Laffey McHugh Foundation  
Ted & Beth Levitt  
Longwood Foundation  
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MBNA America N.A.  
NBC 25  
NVR  
Norfolk Southern Foundation  
Resistol Hats  
Sinai Hospital/Life Bridge Health  
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Anita V. Vitale Foundation  
Wayne E. Warren  
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Alabama Power Foundation  
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Alliant Health Systems/Norton  
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American Airlines  
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Belz Enterprises  
BI-LO, Inc.  
Mr. & Mrs. Tom Black  
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CLJ Architects  
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Mr. & Mrs. Doug Gallagher  
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Deanna Berthel  
Big Wheel Rossi/ The Shaller Family  
Blue Cross Blue Shield of Minnesota  
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The Century Club  
City Carton Co., Inc.  
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Department 56  
Eller Media, Inc.  
Grocers For Hope  
Allan & Phyllis Hallene  
Harley-Davidson, Inc.  
Harnischfeger Industries, Inc.  
Foundation  
Phil & Betsy Hendrickson  
Dr. & Mrs. Mary Hendrickson-  
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Harriette & Roland Jenkins Memorial  
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Klaff Realty, L.P.  
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KWOC-TV  
Ronald R. Martins  
Mayo Clinic  
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Mercy Hospital  
Midwest of Canon Falls  
Minnesota Soybean Research and  
Promotion Council  
Joseph & Joan Morgan  
Jay and Rose Phillips Family  
Foundation  
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Ross Sportswear  
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Foundation  
Wells Family Foundation/ Adele H.  
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Celtic Wives Save Lives  
Earle P. Charlton Charitable Trust  
Edwin S. Webster Foundation  
Elizabeth Childs Murphy Trust  
Ellison Foundation  
The Ruth H. & Warren A. Ellsworth  
Foundation  
The Fairlawn Foundation, Greater  
Worcester Community Foundation  
The George F. & Sybil H. Fuller  
Foundation  
Grand Chapter of New Hampshire  
Health Agencies of Massachusetts  
John Ernest Hoffman Foundation  
The International Association of  
Lions Clubs - District 23C  
The Keel Foundation  
Stephen & Tabitha King Foundation  
Harold & Ruth Ann Leeever  
Virginia Hubbell Leighton of the  
Harvey Hubbell Trust\*  
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Rowland Foundation  
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Mr. Richard Steinman  
The Stoddard Charitable Trust  
Stratford Foundation  
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The Waterbury Foundation  
The Worcester Police Department

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Dr. Charlene Holt  
Elmer & Loretta Lebo  
Peter & Mary Mark  
Mr. & Mrs. Everett O'Neill  
The Order of Eastern Star  
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Through Partnership in Education  
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The Cleveland Clinic Foundation  
The Cleveland Foundation  
The Columbus Foundation  
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Peter B. Lewis  
Lincoln Electric Co.  
David C. Lindner  
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MA Hanna Co. Foundation  
Maude S. Tomlin Memorial Fund  
MBNA America Bank N.A.  
Alexander McAfee  
Mercy Health System, Western Ohio  
Meridia Health System  
Metro Health System, Cleveland  
John Peter Minton MD PhD FACS  
Fund  
Harry C. Moores Foundation  
William E. Moser Trust  
NE Ohio Race for the Cure  
Frank S. O'Brien

continued

\* Deceased

## \$100,000+ EXCALIBUR CONTRIBUTORS

### OHIO

(continued)

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R.T. Foundation  
Walter Randall  
John B. Resler, CPA  
Mr. & Mrs. William S. Richards  
Schulman, Inc.  
Mrs. Joseph S. Silber  
Mr. Carson Smith  
Harry K. Smith  
Sports Media Association of Cleveland  
George B. Storer Foundation  
Tasman Motorsports  
Francis L. Taylor  
United HealthCare of Ohio Inc.  
University Hospitals of Cleveland  
Mr. & Mrs. Harold D. VanWageningen  
Thomas & Jayne Volz  
Mr. & Mrs. Joseph W. Watkins  
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Wolfe Associates, Inc.  
Worthington Industries

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Ashley Barrasso Breast Cancer Research Fund  
Beta Sigma Beta, Sy Barash Regatta Foundation  
Bell Atlantic Mobile  
Marilyn & Edward Bellet  
Richard Binder  
Anne L. & George H. Clapp  
Charitable & Educational Trust  
Danellie Foundation  
Paul Dannenbaum  
William C. Dickes  
Mrs. Meyer Eglin  
Kenneth D. Frew  
Joseph and Irene Gans

General Nutrition Corporation  
Richard W. Good  
G. Warren Hersh  
Highmark Blue Cross Blue Shield  
Mr. & Mrs. Bruce H. Hooper  
IKON Office Solutions  
Jewish Healthcare Foundation  
Mr. & Mrs. Edward F. Jones  
Karns Quality Foods, Ltd.  
Helen & Dorothy Kessler  
Lovett Foundation, Inc.  
Samuel P. Mandell Foundation  
Mr. & Mrs. Stephen Marcus  
John R. McCune Charitable Trust  
Midlantic Bank  
Warren V. Musser Foundation  
Pennsylvania Blue Shield, A Highmark Company  
The Pew Charitable Trusts  
Mrs. William Piercy  
Pittsburgh Race for the Cure, National Council on Jewish Women  
Redner Foundation  
Mr. & Mrs. Ronald Rubin  
Joanne Russell and Douglass Colkitt, MD  
Mrs. Lawrence Singmaster  
Louis & Bessie Stein Foundation  
Mr. & Mrs. Stanley C. Tuttleman  
United Parcel Service  
Larry Young

### ROCKY MOUNTAIN

Helen Lowe Bamberger Colby Charitable Foundation  
Sheila Trader

### SOUTHEAST

Aetna/US Healthcare  
AFLAC  
AKZO Nobel Coatings, Inc.  
American Express TRS Company  
Mr. & Mrs. Irwin Belk  
BellSouth  
Joseph and Florence Berger

Mrs. Wilburn C. Calton  
The Honorable Anne Cox Chambers  
The Coca Cola Company  
Equifax, Inc.  
Mr. & Mrs. Patrick L. Flinn  
Georgia Power Foundation, Inc.  
Arthur G. Keene  
Thomas M. & Irene B. Kirbo  
Charitable Trust  
Medcen Community Health Foundation  
The Peyton Anderson Foundation, Inc.  
Princess House, Inc.  
H. English & Ermine Cater Robinson Foundation  
Scientific Atlanta  
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SunTrust Bank, Atlanta  
Tanner Company  
Joseph B. Whitehead Foundation  
Frances Wood Wilson Foundation, Inc.  
Winn Dixie Atlanta, Inc.  
Winn Dixie Stores Foundation  
Robert W. Woodruff School for Health Services at Emory University  
WSTAR 94 FM Radio  
WXIA-TV, GA

### SOUTHWEST

Anonymous  
APS (Arizona Public Service)  
Bashas' Food Stores  
Erma Bombeck\*  
Mr. & Mrs. Jerry Brock  
Mr. Richard R. & Mrs. Georgia Colburn  
Carl & Hazel Felt in memory of Rebecca B., Hazel B., Carl Felt  
FINOVA  
Harold and Jean Grossman Family Foundation  
Mary L. Huebner  
D.W. Hyder & Associates

Melvin & Ruth Kelso Fund  
William R. Lindsay  
Mr. & Mrs. Fenton Maynard  
Governor Bob Miller  
Norwest/Wells Fargo Bank  
The Phoenix Suns & The Arizona Diamondbacks  
William Tucker Golf Foundation  
Mayola Vail

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Mr. & Mrs. Jack E. Brown  
Chase Bank of Texas National Communities Foundation of Texas  
Compaq Computer Corporation  
Dr. Pepper Bottling Co. of TX  
J.E.S. Edwards Foundation  
William Farish Stamps Fund  
J.D. Fields & Company  
Ray C. Fish Foundation  
George & Mary Josephine Hamman Foundation  
Harris Methodist  
Home Interiors & Gifts  
Houston Endowment Inc.  
Mr. & Mrs. Robert Irwin  
KHOU-TV, Channel 11  
Susan G. Komen Foundation, El Paso  
Mr. & Mrs. James W. Lacy  
P. Frank Lake  
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Loral Vought Systems, Inc.  
J. D. Murchison Interests Inc.  
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Bruce McMillan, Jr., Foundation Inc.  
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Memorial Hermann Healthcare System  
Merrill Lynch, Dallas  
Pennzoil Exploration & Prod. Co.  
Mrs. Beverly Pevehouse  
Millard Richmon  
Sid W. Richardson Foundation

Sierra Providence Health Network  
St. Lukes Episcopal Hospital  
Star Furniture  
Strake Foundation  
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Agnes Bateman  
Dennis & Susan Fitzgerald  
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*The following language is offered for your attorney's consideration:*

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To access information or to request assistance from an ACS planned giving officer in your area, simply call 1-800-227-1885 or visit our web site at [www.cancer.org](http://www.cancer.org).



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