



**THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.**

**Consolidated Financial Statements**

**March 31, 2004 and 2003**

**(With Independent Auditors' Report Thereon)**



KPMG LLP  
Suite 3100  
717 North Harwood Street  
Dallas, TX 75201-6585

## Independent Auditors' Report

The Board of Directors  
The Susan G. Komen Breast Cancer Foundation, Inc.:

We have audited the accompanying consolidated statements of financial position of The Susan G. Komen Breast Cancer Foundation, Inc. (the Foundation) as of March 31, 2004 and 2003, and the related consolidated statements of activities, cash flows, and functional expenses for the years then ended. These consolidated financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the 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 audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Susan G. Komen Breast Cancer Foundation, Inc. as of March 31, 2004 and 2003, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The supplementary information included in schedules 1 and 2 is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 2004 basic consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic consolidated financial statements taken as a whole.

**KPMG LLP**

October 8, 2004

**THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.**

Consolidated Statements of Financial Position

March 31, 2004 and 2003

<b>Assets</b>	<b>2004</b>	<b>2003</b>
Cash and cash equivalents	\$ 89,271,145	70,742,076
Investments (note 2)	20,521,607	18,554,561
Receivables, net (note 3)	24,248,652	15,417,465
Prepaid expenses and other assets	2,072,009	1,884,722
Property and equipment, net (note 4)	4,350,104	2,704,045
Total assets	<u>\$ 140,463,517</u>	<u>109,302,869</u>
<b>Liabilities and Net Assets</b>		
Accounts payable and accrued expenses	\$ 7,354,456	4,315,034
Notes payable (note 5)	1,433,333	—
Grants payable, net (note 6)	75,217,782	53,970,607
Total liabilities	<u>84,005,571</u>	<u>58,285,641</u>
Net assets (note 7):		
Unrestricted	27,379,733	33,559,762
Temporarily restricted	27,605,716	15,989,536
Permanently restricted	1,472,497	1,467,930
Total net assets	<u>56,457,946</u>	<u>51,017,228</u>
Total liabilities and net assets	<u>\$ 140,463,517</u>	<u>109,302,869</u>

See accompanying notes to consolidated financial statements.

THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.

Consolidated Statements of Activities

Years ended March 31, 2004 and 2003

	2004				2003			
	Unrestricted	Temporarily restricted	Permanently restricted	Total	Unrestricted	Temporarily restricted	Permanently restricted	Total
Public support and revenue:								
Contributions, sponsorships, and Race entry fees	\$ 116,520,286	20,955,270	4,567	137,480,123	109,177,843	7,035,122	—	116,212,965
Contributed goods and services (note 10)	31,932,580	6,356,637	—	38,289,217	30,414,023	4,805,004	—	35,219,027
Less direct benefits to donors and sponsors	(24,340,898)	—	—	(24,340,898)	(22,178,356)	—	—	(22,178,356)
Contributions net of direct benefits to donors and sponsors	124,111,968	27,311,907	4,567	151,428,442	117,413,510	11,840,126	—	129,253,636
Interest and dividends	1,023,406	11,535	—	1,034,941	1,248,987	22,055	—	1,271,042
Net realized and unrealized gains (losses) on investments	2,473,098	—	—	2,473,098	(2,398,587)	—	—	(2,398,587)
Other	3,859,382	—	—	3,859,382	4,232,827	—	—	4,232,827
Net assets released from restrictions (note 7)	15,707,262	(15,707,262)	—	—	8,761,755	(8,761,755)	—	—
Net public support and revenue	147,175,116	11,616,180	4,567	158,795,863	129,258,492	3,100,426	—	132,358,918
Expenses:								
Program services (note 10):								
Research	39,230,259	—	—	39,230,259	28,353,275	—	—	28,353,275
Public health education	44,607,887	—	—	44,607,887	46,096,176	—	—	46,096,176
Health screening services	17,438,937	—	—	17,438,937	13,967,827	—	—	13,967,827
Treatment services	8,736,906	—	—	8,736,906	7,498,601	—	—	7,498,601
Total program services	110,013,989	—	—	110,013,989	95,915,879	—	—	95,915,879
Supporting services (note 10):								
General and administrative	17,678,415	—	—	17,678,415	12,663,988	—	—	12,663,988
Fund raising	25,662,741	—	—	25,662,741	20,834,751	—	—	20,834,751
Total supporting services	43,341,156	—	—	43,341,156	33,498,739	—	—	33,498,739
Total expenses	153,355,145	—	—	153,355,145	129,414,618	—	—	129,414,618
Changes in net assets	(6,180,029)	11,616,180	4,567	5,440,718	(156,126)	3,100,426	—	2,944,300
Net assets, beginning of year	33,559,762	15,989,536	1,467,930	51,017,228	33,715,888	12,889,110	1,467,930	48,072,928
Net assets, end of year	\$ 27,379,733	27,605,716	1,472,497	56,457,946	33,559,762	15,989,536	1,467,930	51,017,228

See accompanying notes to consolidated financial statements.

**THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.**

Consolidated Statements of Cash Flows

Years ended March 31, 2004 and 2003

	<u>2004</u>	<u>2003</u>
Cash flows from operating activities:		
Changes in net assets	\$ 5,440,718	2,944,300
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation and amortization	2,091,805	917,296
Net realized and unrealized (gains) losses on investments	(2,473,098)	2,398,587
(Increase) decrease in receivables	(8,831,187)	504,686
(Increase) decrease in prepaid expenses and other assets	(187,287)	196,490
Increase (decrease) in accounts payable and accrued expenses	3,039,422	(1,520,391)
Increase in grants payable	21,247,175	15,108,713
Net cash provided by operating activities	<u>20,327,548</u>	<u>20,549,681</u>
Cash flows from investing activities:		
Purchases of property and equipment	(3,737,864)	(1,586,515)
Purchases of investments	(9,513,821)	(7,013,097)
Sales and maturities of investments	10,019,873	5,342,715
Net cash used in investing activities	<u>(3,231,812)</u>	<u>(3,256,897)</u>
Cash flows from financing activities:		
Proceeds from note payable	2,150,000	—
Payment of note payable	(716,667)	—
Net cash provided by financing activities	<u>1,433,333</u>	<u>—</u>
Increase in cash and cash equivalents	18,529,069	17,292,784
Cash and cash equivalents at beginning of year	<u>70,742,076</u>	<u>53,449,292</u>
Cash and cash equivalents at end of year	\$ <u><u>89,271,145</u></u>	<u><u>70,742,076</u></u>

See accompanying notes to consolidated financial statements.

THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.

Consolidated Statement of Functional Expenses

Year ended March 31, 2004

	Program services				Supporting services				Total expenses
	Research	Public health education	Health screening services	Treatment services	Fund raising		General and administrative		
					Race for the cure	Other fund raising	Affiliate relations	Other	
Marketing and communications (primarily contributed services)	\$ 113,463	11,831,072	—	—	5,636,170	47,184	—	638,474	18,266,363
Salaries and benefits	1,992,476	3,030,790	—	—	1,665,346	1,212,391	413,680	5,549,659	13,864,342
Supplies	30,997	75,123	—	—	278,743	89,522	4,102	369,136	847,623
Postage and shipping	118,448	1,307,319	—	—	151,194	1,771,150	4,858	494,145	3,847,114
Occupancy	143,881	211,910	—	—	983,444	33,754	9,882	1,622,379	3,005,250
Equipment rental	59,442	64,485	—	—	—	238	185	177,052	301,402
Conferences, conventions, and meetings	280,210	635,093	—	—	1,610	32,383	120,213	213,818	1,283,327
Printing and publications	157,398	2,079,190	—	—	332,629	2,845,737	17,325	591,394	6,023,673
Public relations	—	29,892	—	—	14,946	—	—	—	44,838
Awards and grants	33,972,844	18,948,583	17,438,937	8,736,906	—	—	—	—	79,097,270
Professional fees	1,285,259	3,364,789	—	—	7,927,666	470,371	23,588	2,435,995	15,507,668
Travel	454,565	777,098	—	—	114,938	93,234	137,053	385,127	1,962,015
Income taxes	34,650	41,639	—	—	—	49,298	5,757	227,664	359,008
Depreciation and amortization	131,165	163,518	—	—	37,319	—	—	1,759,803	2,091,805
Miscellaneous	455,461	2,047,386	—	—	798,373	1,075,101	34,956	2,442,170	6,853,447
Total expenses before direct benefits to donors and sponsors	39,230,259	44,607,887	17,438,937	8,736,906	17,942,378	7,720,363	771,599	16,906,816	153,355,145
Direct benefits to donors and sponsors	—	—	—	—	20,012,056	4,328,842	—	—	24,340,898
Total expenses	\$ 39,230,259	44,607,887	17,438,937	8,736,906	37,954,434	12,049,205	771,599	16,906,816	177,696,043

See accompanying notes to consolidated financial statements.

**THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.**

Consolidated Statement of Functional Expenses

Year ended March 31, 2003

	Program services				Supporting services				Total expenses
	Research	Public health education	Health screening services	Treatment services	Fund raising		General and administrative		
					Race for the cure	Other fund raising	Affiliate relations	Other	
Marketing and communications (primarily contributed services)	\$ 125,331	10,053,945	—	—	4,652,714	46,914	—	112,194	14,991,098
Salaries and benefits	1,512,875	3,481,977	—	—	1,701,194	566,222	800,475	4,201,876	12,264,619
Supplies	401,068	1,563,376	—	—	169,669	7,123	10,015	305,312	2,456,563
Postage and shipping	162,870	1,151,631	—	—	127,073	1,396,353	10,334	346,567	3,194,828
Occupancy	271,057	500,082	—	—	837,055	16,294	31,318	1,457,102	3,112,908
Conferences, conventions and meetings	165,771	743,761	—	—	1,171	15,070	206,174	200,059	1,332,006
Printing and publications	153,523	1,921,282	—	—	387,925	2,164,487	28,223	538,838	5,194,278
Public relations	—	234,390	—	—	117,195	—	—	—	351,585
Awards and grants	22,950,401	21,009,714	13,967,827	7,498,601	—	24,337	—	—	65,450,880
Professional fees	1,945,676	2,520,421	—	—	6,747,883	656,868	71,736	2,109,448	14,052,032
Travel	249,386	903,564	—	—	103,587	61,475	310,407	249,962	1,878,381
Income taxes	3,710	16,992	—	—	—	—	10,808	14,842	46,352
Depreciation and amortization	112,617	187,692	—	—	39,709	—	—	577,278	917,296
Miscellaneous	298,990	1,807,349	—	—	403,882	590,551	67,183	1,003,837	4,171,792
Total expenses before direct benefits to donors and sponsors	28,353,275	46,096,176	13,967,827	7,498,601	15,289,057	5,545,694	1,546,673	11,117,315	129,414,618
Direct benefits to donors and sponsors	—	—	—	—	15,943,924	6,234,432	—	—	22,178,356
Total expenses	\$ 28,353,275	46,096,176	13,967,827	7,498,601	31,232,981	11,780,126	1,546,673	11,117,315	151,592,974

See accompanying notes to consolidated financial statements.

**THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.**

Notes to Consolidated Financial Statements

March 31, 2004 and 2003

**(1) General Information and Summary of Significant Accounting Policies**

**(a) General Information**

The Susan G. Komen Breast Cancer Foundation, Inc. (Foundation), a Texas not-for-profit corporation, was incorporated in July 1982. The primary mission of the Foundation is to eradicate breast cancer as a life-threatening disease by advancing research, education, screening and treatment. Research advancement is achieved through relationships with medical and cancer centers throughout the United States, as well as internationally. Treatment and screening programs, primarily funded through the Foundation's Affiliates, produce affordable treatment and screening for the medically underserved and other target populations. The Foundation's reach has expanded tremendously since its inception, due in large part to the Komen Race for the Cure® Series and other fundraising programs and events, as well as the Foundation's many donors, corporate partners and educational initiatives and materials. As a result of this heightened awareness of breast cancer, millions have received the life-saving message of early detection.

The consolidated financial statements of the Foundation include the activity of the Foundation's International Headquarters as well as 113 Affiliates in 2004 and 2003. The Komen Race for the Cure® Series (The Race Series), a series of 5K and one-mile walk/runs, were held in 108 and 106 cities across the United States during 2004 and 2003, respectively. Up to 75% of the net proceeds generated by the Affiliates is used to fund breast cancer education, treatment and screening projects within the local communities. The remaining 25% is used to fund breast cancer research and project grants on a national level.

In addition to The Race Series noted above, which is organized solely for the benefit of the Foundation, other Komen Race for the Cure® events were produced by unaffiliated organizations benefiting Foundation programs. Four such events were held in 2004 and five in 2003. Under agreement, 25% of the proceeds from these events is remitted to the Foundation. The financial activities of the unrelated organizations are not consolidated herein.

In fiscal year 2004, the Foundation became the net beneficiary of the Breast Cancer 3-Day, a project of the National Philanthropic Trust (NPT), an independent nonprofit organization. Breast Cancer 3-Day is a series of three-day walks that raise funds for the fight against breast cancer. Three events took place in fiscal year 2004 and ten events are scheduled to take place in fiscal year 2005. The combination of the thirteen events is considered "The Series." NPT is the event manager for The Series. As the primary beneficiary, the Foundation will receive 85% of the net proceeds to support breast cancer research, education, screening, and treatment programs. The remaining 15% of the net proceeds will be directed to the NPT Breast Cancer Fund, a special interest fund for breast cancer initiatives. Net proceeds will be distributed upon completion of The Series and no revenue has been recognized for the events that have occurred in fiscal year 2004.

**THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.**

Notes to Consolidated Financial Statements

March 31, 2004 and 2003

The following is a list of Affiliates included in the consolidated financial statements:

Acadiana	Greater Kansas City	Northeastern New York
Arkansas	Greater Lansing	Northern Nevada
Aspen	Greater Miami/Ft. Lauderdale	Northwest Ohio
Austin	Greater Nashville	Orange County
Baton Rouge	Greater New York City	Oregon and SW Washington
Bay Area	Greater Richmond	Ozark
Bayou Region	Hawaii	Peoria
Boise	Houston	Philadelphia
Boston	Indianapolis	Phoenix
Brainerd Lakes	Inland Empire	Plano
Central Florida	Knoxville	Puget Sound
Central Georgia	Las Vegas	Quad Cities
Central Mississippi	Lexington	Rhode Island**
Central New Mexico	Los Angeles County	Sacramento Valley
Central New York	Louisville	Salt Lake City
Central Oklahoma	Lubbock Area	San Antonio
Central Texas	Madison	San Diego
Central Valley	Maine	Shreveport
Charleston	Maryland	South Florida
Charlotte	McLean County	Southeast Iowa
Chattanooga	Memphis Mid-South	Southern Arizona
Chicagoland Area	Mid-Kansas	Southwest Florida
Coeur d'Alene	Milwaukee	Southwest Michigan
Colorado Springs	Minnesota	St. Louis
Columbus	Missouri Regional	Tarrant County
Connecticut	Montana	Texarkana
Dallas County	NC Triangle	Tidewater
Denver Metropolitan	Nebraska	Tulsa
Des Moines	New Orleans	Tyler
Eastern Washington	North Carolina Foothills	Upstate South Carolina
El Paso	North Carolina Triad	Vermont
Elmira	North Central Alabama	Wabash Valley
Florida Suncoast	North Colorado	West Virginia
Georgia	North Florida	Western New York
Grand Rapids	North Jersey	Wichita Falls
Greater Amarillo*	Northeast Louisiana	Wyoming
Greater Cincinnati	Northeast Ohio	
Greater Evansville	Northeast Pennsylvania	

\* Affiliates added during the fiscal year ended March 31, 2004

\*\* Affiliate dissolved during the fiscal year ended March 31, 2004

**THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.**

Notes to Consolidated Financial Statements

March 31, 2004 and 2003

**(b) Basis of Presentation**

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for not-for-profit organizations. Under these provisions, net assets and revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Expenses are classified as unrestricted. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

- **Unrestricted net assets** – Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.
- **Temporarily restricted net assets** – Net assets subject to donor-imposed stipulations that will be met either by actions of the Foundation and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues of the unrestricted net asset class.
- **Permanently restricted net assets** – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on related investments for general or specific purposes.

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

**(c) Cash and Cash Equivalents**

Cash and cash equivalents consist of cash on hand and all highly liquid investments with a remaining maturity of three months or less when purchased.

**(d) Contributed Materials and Services**

Contributed materials and equipment are reported as contributions in the accompanying statements at their estimated value at date of receipt.

**THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.**

Notes to Consolidated Financial Statements

March 31, 2004 and 2003

Contributed services are reported in the consolidated financial statements at the fair value of the services received. The contribution of services is recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Total contributed materials and services for the years ended March 31, 2004 and 2003 were approximately \$38,289,000 and \$35,219,000, respectively, and primarily relate to local television, radio and newspaper advertising for the Race for the Cure® Series events.

**(e) Contributions**

Contributions, including unconditional promises to give, are recorded when received or pledged. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

**(f) Investments and Investment Revenue Recognition**

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value.

Investment income includes dividends and interest and is recognized as revenue in the period in which it is earned. The amounts are reported as an increase in unrestricted net assets unless otherwise restricted by the donor. Realized and unrealized gains and losses on investments are classified and recorded as increases or decreases in unrestricted net assets, unless otherwise restricted by the donor.

**(g) Property and Equipment**

Purchased property and equipment is carried at cost. Donated property and equipment is recorded at market value at date of donation. The Foundation capitalizes all expenditures for property and equipment in excess of \$1,000; the fair value of donated property is similarly capitalized. Depreciation of furniture and fixtures is provided by the straight-line method over an estimated useful life of five years using a half-year convention. Leasehold improvements, computer equipment, and software are amortized on the straight-line method over an estimated life of three to five years.

**(h) Federal Income Taxes**

The Foundation is a tax-exempt entity under Section 501(c)(3) of the Internal Revenue Code (Code) under a determination letter issued by the Internal Revenue Service. The Affiliates of the Foundation have a separate group determination letter, under the umbrella of the Foundation's exemption, recognizing their exempt status under Code Section 501(c)(3). The Foundation and its Affiliates are exempt from federal income tax except to the extent that they have unrelated business income. A provision for taxes on unrelated business income of approximately \$229,000 and \$105,000 at March 31, 2004 and 2003, respectively, has been provided for in the accompanying consolidated financial statements.

**THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.**

Notes to Consolidated Financial Statements

March 31, 2004 and 2003

**(i) Market Risk Concentration**

The Foundation's investments do not have a significant concentration of credit or market risk within any industry, specific institution, or group of investments.

**(j) Functional Allocation of Expenses**

The costs of providing the Foundation's various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**(k) Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**(l) Retirement Plan**

The Foundation has a defined contribution retirement plan under the provisions of the Code Section 403(b). The Foundation matches employee contributions to the extent of 6% of employees' annual salary. All employees are eligible to make deferrals immediately. However, participants are not eligible to receive the employer matching contribution until one year of continuous employment has been met. Plan expense amounted to approximately \$285,000 and \$265,000 for the years ended March 31, 2004 and 2003, respectively.

**(2) Investments**

Investments at March 31, 2004 and 2003 are comprised of the following:

	2004		2003	
	Cost	Fair value	Cost	Fair value
Corporate stocks	\$ 9,564,625	9,753,033	10,111,135	7,899,100
Bonds	7,968,666	8,547,953	6,936,858	7,320,069
Certificates of deposit	2,217,447	2,220,621	3,335,449	3,335,392
Total	\$ 19,750,738	20,521,607	20,383,442	18,554,561

**THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.**

Notes to Consolidated Financial Statements

March 31, 2004 and 2003

**(3) Receivables**

Receivables were \$24,248,652 and \$15,417,465 at March 31, 2004 and 2003, respectively. Receivables that are expected to be collected within one year are recorded at net realizable value. Receivables that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the agreements are expected to be satisfied.

Race for the Cure® Series receivables were \$11,358,946 and \$9,088,027 at March 31, 2004 and 2003, respectively. These receivables primarily represent promises to give from the National and local race sponsors who committed support prior to March 31. The majority of the receivable balances are received by the Foundation during the subsequent fiscal year.

Other unconditional promises to give by donors of \$10,818,335 and \$3,694,064 at March 31, 2004 and 2003, respectively, are expected to be received by the Foundation. In 2004, the Foundation received several multi-year agreements valued at \$7,500,000 to be received over the next three years. The majority of the remaining unconditional promises to give by donors are expected to be received within one year.

Other receivables were \$2,071,371 and \$2,635,374 at March 31, 2004 and 2003, respectively.

The Foundation's Headquarters renegotiated its lease in 2003. Payments for the office space began November 2003. The remaining receivable related to the donated office space of \$764,679 was written off during fiscal year 2004.

**(4) Property and Equipment**

At June 30, 2004 and 2003, property and equipment, and the related accumulated depreciation and amortization were:

	<u>2004</u>	<u>2003</u>
Computer equipment	\$ 2,715,232	2,910,952
Furniture and fixtures	2,446,272	744,661
Leasehold improvements	225,211	225,211
Software	2,447,441	1,580,468
Intangible Asset	1,365,000	—
	<hr/>	<hr/>
Gross property and equipment	9,199,156	5,461,292
Accumulated depreciation and amortization	<u>(4,849,052)</u>	<u>(2,757,247)</u>
Net property and equipment	<u>\$ 4,350,104</u>	<u>2,704,045</u>

**THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.**

Notes to Consolidated Financial Statements

March 31, 2004 and 2003

**(5) Note Payable**

On April 30, 2003, the Foundation signed a note in the amount of \$2,150,000 payable to the lender bank in three equal installments due on December 31, 2003, August 31, 2004 and December 31, 2004. The proceeds were used to purchase Breast Cancer 3-Day assets including equipment, donor database, and trademark. The assets are pledged as collateral for the note.

**(6) Grants Payable**

As of March 31, 2004 and 2003, the Foundation has made grants to various medical and cancer centers for research, education, screening and treatment. Grants payable greater than one year were discounted to its present value at the discount rate of 2% and 2.5%, as of March 31, 2004 and 2003, respectively. The unamortized discount at March 31, 2004 and 2003 were \$416,630 and \$284,358, respectively. The grants payable at March 31, 2004 and 2003 are scheduled for payment in the following fiscal years:

	<u>2004</u>	<u>2003</u>
Years ended March 31,		
2004	\$ —	41,785,768
2005	56,213,683	11,501,127
2006	17,477,957	968,070
2007	1,942,772	—
	<u>75,634,412</u>	<u>54,254,965</u>
Total grants payable		
Less unamortized discount	<u>(416,630)</u>	<u>(284,358)</u>
Grants payable, net	\$ <u><u>75,217,782</u></u>	\$ <u><u>53,970,607</u></u>

**(7) Net Assets**

Temporarily restricted net assets are primarily time restricted and will be released from restriction in future periods.

Permanently restricted net assets represent endowed gifts to be held in perpetuity with the investment income to be used for breast cancer symposiums, breast cancer research fellowships, breast cancer educational programs, and research awards.

**THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.**

Notes to Consolidated Financial Statements

March 31, 2004 and 2003

**(8) Joint Costs**

The consolidated financial statements include joint costs incurred of \$44,242,238 and \$38,877,080 for 2004 and 2003, respectively. The joint costs were primarily for the Race for the Cure® Series, informational materials, an Internet website that included fundraising, and direct mail campaigns. These costs were allocated as follows:

	<u>2004</u>	<u>2003*</u>
Research	\$ 444,513	279,518
Public health education	18,138,140	16,991,991
General and administrative	1,313,494	1,263,005
Fundraising	<u>24,346,091</u>	<u>20,342,566</u>
	<u>\$ 44,242,238</u>	<u>38,877,080</u>

\* Certain reclassifications have been made to conform to current year presentation.

**(9) Leases**

The Foundation's headquarters has operating lease agreements for office space and electrical costs. Future annual minimum lease payments due under noncancelable leases as of March 31, 2004 are as follows:

2005	\$ 943,906
2006	863,987
2007	790,835
2008	723,876
2009	<u>417,798</u>
Total	<u>\$ 3,740,402</u>

**THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.**

Notes to Consolidated Financial Statements

March 31, 2004 and 2003

**(10) Contributed Goods and Services**

The Foundation's gross revenues and expenses include a significant portion attributable to contributed goods and services.

	<u>Amounts per consolidated financials</u>	<u>Value of contributed goods and services</u>	<u>Net without in-kind</u>
<b>For the year ended March 31, 2004</b>			
Public support and revenue	\$ 183,136,761	38,289,217	144,847,544
Less direct benefits to donors and sponsors	<u>(24,340,898)</u>	<u>(11,556,975)</u>	<u>(12,783,923)</u>
Net public support and revenue	<u>158,795,863</u>	<u>26,732,242</u>	<u>132,063,621</u>
Expenses:			
Program services	110,013,989	11,408,104	98,605,885
Supporting services	<u>43,341,156</u>	<u>14,537,065</u>	<u>28,804,091</u>
Total expenses	<u>153,355,145</u>	<u>25,945,169</u>	<u>127,409,976</u>
Change in net assets	\$ <u>5,440,718</u>	<u>787,073</u>	<u>4,653,645</u>
<b>For the year ended March 31, 2003</b>			
Public support and revenue	\$ 154,537,274	35,219,027	119,318,247
Less direct benefits to donors and sponsors	<u>(22,178,356)</u>	<u>(9,289,607)</u>	<u>(12,888,749)</u>
Net public support and revenue	<u>132,358,918</u>	<u>25,929,420</u>	<u>106,429,498</u>
Expenses:			
Program services	95,915,879	9,846,443	86,069,436
Supporting services	<u>33,498,739</u>	<u>14,275,641</u>	<u>19,223,098</u>
Total expenses	<u>129,414,618</u>	<u>24,122,084</u>	<u>105,292,534</u>
Change in net assets	\$ <u>2,944,300</u>	<u>1,807,336</u>	<u>1,136,964</u>

**(11) Subsequent Events**

In August 2004, the Foundation was the beneficiary of 833,333 \$10 AT&T prepaid phone cards valued at \$8,333,333. The Foundation's primary intent is to utilize them for mission related purposes.

## THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.

## Schedule of Revenues by Affiliate

Year Ended March 31, 2004

Affiliate	Contributions	Race for the Cure	Direct benefits to donors and sponsors	Other fund raising	Interest and dividends	Other	Total net revenue
Acadiana	\$ 19,116	76,167	20,259	—	750	—	75,774
Arkansas	282,585	1,410,475	219,520	8,840	4,164	10,505	1,497,049
Aspen	35,604	269,212	85,593	—	1,201	34,835	255,259
Austin	134,458	1,065,977	133,972	48,048	—	8,791	1,123,302
Baton Rouge	31,322	188,902	47,116	8,810	450	—	182,368
Bay Area	409,929	1,378,265	222,699	8,317	7,617	5,396	1,586,825
Bayou Region	30,752	130,650	39,399	690	148	—	122,841
Boise	42,634	509,909	54,869	10,405	1,252	9,396	518,727
Boston	193,973	426,627	80,783	—	4,949	—	544,766
Brainerd Lakes	8,403	61,953	9,531	—	74	801	61,700
Central Florida	40,740	238,739	51,397	—	2,689	154	230,925
Central Georgia	49,947	108,644	11,549	—	—	2,798	149,840
Central Mississippi	32,668	188,158	43,075	—	1,241	370	179,362
Central New Mexico	15,619	188,912	25,875	—	919	768	180,343
Central New York	142,028	475,130	67,942	17,410	2,348	3,501	572,475
Central Oklahoma	107,395	763,482	172,415	31,080	3,624	1,000	734,166
Central Texas	49,606	528,694	65,683	—	2,640	2,267	517,524
Central Valley	39,546	198,182	73,447	1,306	316	6,368	172,271
Charleston	46,304	496,599	62,824	5,737	1,778	7,424	495,018
Charlotte	9,227	1,467,867	197,784	—	—	—	1,279,310
Chattanooga	115,226	217,830	70,088	—	277	12,065	275,310
Chicagoland Area	366,079	924,365	240,382	30,105	3,139	6,850	1,090,156
Coeur d'Alene	4,554	144,932	22,320	—	591	100	127,857
Colorado Springs	43,302	804,638	129,235	1,420	2,247	6,429	728,801
Columbus	187,323	1,352,930	205,704	—	5,300	13,051	1,352,900
Connecticut	205,969	1,214,320	205,671	—	4,544	2,015	1,221,177
Dallas County	195,452	2,879,262	527,507	—	21,011	42,002	2,610,220
Denver Metropolitan	373,802	6,019,109	1,210,738	32,176	9,146	25	5,223,520
Des Moines	69,964	539,585	84,685	—	7,376	2,776	535,016
Eastern Washington	66,479	—	7,817	—	228	—	58,890
El Paso	94,413	476,220	118,250	—	1,112	197	453,692
Elmira	—	77,972	3,278	—	—	—	74,694
Florida Suncoast	143,341	959,233	194,168	—	2,664	—	911,070
Georgia	1,081,500	1,133,766	374,707	127,723	12,178	—	1,980,460
Grand Rapids	15,138	406,243	81,725	1,765	1,614	4,408	347,443
Greater Amarillo	12,149	250,289	49,648	—	—	—	212,790
Greater Cincinnati	221,235	690,743	173,704	—	1,284	165	739,723
Greater Evansville	67,467	1,393,651	322,776	22,688	3,226	143	1,164,399
Greater Kansas City	126,683	698,069	74,948	6,450	530	2,589	759,373
Greater Lansing	22,343	480,498	86,756	—	686	957	417,728
Greater Miami/Ft Lauderdale	120,887	758,935	81,463	—	2,438	—	800,797
Greater Nashville	37,760	420,960	73,647	—	1,297	6,721	393,091
Greater New York City	532,108	3,750,313	393,839	19,775	7,518	20,839	3,936,714

## THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.

## Schedule of Revenues by Affiliate

Year Ended March 31, 2004

Affiliate	Contributions	Race for the Cure	Direct benefits to donors and sponsors	Other fund raising	Interest and dividends	Other	Total net revenue
Greater Richmond	\$ 24,751	390,699	52,626	—	93	77	362,994
Hawaii	32,818	412,998	86,128	—	69	—	359,757
Houston	517,685	2,586,258	477,329	—	13,359	49,470	2,689,443
Indianapolis	238,411	2,034,815	295,737	—	8,551	(2,196)	1,983,844
Inland Empire	56,549	769,133	153,100	—	329	9,419	682,330
Knoxville	112,246	571,196	89,535	—	61	21,516	615,484
Las Vegas	214,867	1,113,003	264,032	—	2,289	17,353	1,083,480
Lexington	125,382	153,695	64,622	47,346	817	4,803	267,421
Los Angeles County	230,086	1,720,278	482,009	—	2,695	2,839	1,473,889
Louisville	33,448	466,601	83,464	—	726	26,004	443,315
Lubbock Area	25,132	227,375	45,596	—	676	19,791	227,378
Madison	53,387	398,079	93,701	—	1,388	5,240	364,393
Maine	34,892	217,638	49,660	1,378	1,334	4,347	209,929
Maryland	570,659	1,902,262	484,992	23,220	4,590	7,398	2,023,137
McLean County	109,529	—	41,494	20,933	938	3,749	93,655
Memphis-Mid South	151,998	932,669	202,941	20,868	765	—	903,359
Mid-Kansas	41,072	391,108	70,918	12,509	263	15,795	389,829
Milwaukee	—	496,556	68,370	—	—	1,802	429,988
Minnesota	307,376	2,985,520	612,683	161,984	7,511	6,697	2,856,405
Missouri Regional	1,594	—	2,956	2,650	25	223	1,536
Montana	55,167	239,707	63,414	—	544	3,885	235,889
NC Triangle	117,721	719,298	162,213	—	3,397	20,420	698,623
Nebraska	100,252	229,400	28,956	7,420	3,911	3,286	315,313
New Orleans	63,524	299,697	61,646	66,901	(123)	—	368,353
North Carolina Foothills	34,171	139,662	23,140	360	—	—	151,053
North Carolina Triad	37,266	633,528	129,350	—	3,210	4,619	549,273
North Central Alabama	88,446	501,889	113,229	9,250	871	20,263	507,490
North Colorado	12,355	87,468	17,484	—	20	—	82,359
North Florida	33,655	246,840	43,090	—	1,836	—	239,241
North Jersey	2,791,875	—	1,385,972	892,925	5,462	71,372	2,375,662
North Mississippi	23,515	135,257	28,775	—	131	—	130,128
Northeast Louisiana	20,276	118,724	15,351	—	—	—	123,649
Northeast Ohio	162,079	1,332,308	241,823	5,400	1,157	—	1,259,121
Northeast Pennsylvania	46,065	348,107	70,334	—	310	—	324,148
Northeastern New York	11,239	289,013	43,179	—	818	12,803	270,694
Northern Nevada	40,435	317,471	61,561	6,040	225	6,139	308,749
Northwest Ohio	92,921	862,061	263,208	—	1,883	3,893	697,550
Orange County	279,459	2,610,708	485,026	43,904	3,956	4,316	2,457,317
Oregon and SW Washington	366,527	2,472,388	367,339	58,212	3,026	—	2,532,814
Ozark	102,052	869,797	120,290	43,625	18,052	(1,246)	911,990
Peoria	226,861	1,434,014	203,874	—	15,522	77,577	1,550,100
Philadelphia	1,121,714	3,407,618	733,998	154,918	1,624	1,785	3,953,661
Phoenix	243,094	2,621,921	544,212	—	4,775	37,103	2,362,681

## THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.

## Schedule of Revenues by Affiliate

Year Ended March 31, 2004

Affiliate	Contributions	Race for the Cure	Direct benefits to donors and sponsors	Other fund raising	Interest and dividends	Other	Total net revenue
Plano	\$ 243,306	409,145	200,007	5,752	2,806	1,480	462,482
Puget Sound	1,019,918	1,627,704	218,496	—	17,711	—	2,446,837
Quad Cities	35,875	801,677	148,035	—	—	—	689,517
Rhode Island	3,894	65,212	4,499	—	20	—	64,627
Sacramento Valley	338,175	1,835,504	213,252	—	3,939	11,157	1,975,523
Salt Lake City	45,290	496,860	100,430	—	18	3,552	445,290
San Antonio	166,379	2,248,243	548,988	—	7,222	2,782	1,875,638
San Diego	196,954	727,606	36,445	4,215	2,986	910	896,226
Shreveport	6,472	232,177	49,357	2,575	316	418	192,601
South Florida	451,588	1,380,845	236,060	—	9,152	—	1,605,525
Southeast Iowa	3,891	127,063	27,304	—	27	185	103,862
Southern Arizona	162,910	985,605	205,882	—	484	—	943,117
Southwest Florida	172,016	—	—	—	590	—	172,606
Southwest Michigan	74,297	207,791	58,395	6,885	1,152	1,290	233,020
St. Louis	334,445	1,774,573	438,070	24,716	6,452	50,514	1,752,630
Tarrant County	142,539	765,158	158,884	8,450	3,282	—	760,545
Texarkana	17,721	536,794	109,399	—	1,272	15,000	461,388
Tidewater	45,867	202,844	31,110	3,574	555	4,887	226,617
Tulsa	40,629	474,551	66,590	—	452	5,527	454,569
Tyler	7,145	379,985	35,137	—	178	9,135	361,306
Upstate South Carolina	89,507	578,761	176,875	—	2,310	—	493,703
Vermont	117,621	352,777	41,800	7,111	1,555	6,828	444,092
Wabash Valley	8,185	137,148	24,672	—	118	5,373	126,152
West Virginia	17,918	103,686	15,664	—	440	3,966	110,346
Western New York	14,786	495,958	74,046	4,305	1,247	—	442,250
Wichita Falls	4,001	120,441	19,336	—	33	38	105,177
Wyoming	65,047	267,277	34,864	2,790	3,072	2,012	305,334
Affiliate totals	18,603,957	90,788,551	18,621,742	2,032,961	309,041	801,302	93,914,070
International headquarters	56,723,754	5,996,268	5,719,156	—	725,900	7,155,027	64,881,793
Consolidated total	\$ 75,327,711	96,784,819	24,340,898	2,032,961	1,034,941	7,956,329	158,795,863

See accompanying independent auditors' report

## THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.

## Schedule of Functional Expenses by Affiliate

Year Ended March 31, 2004

Affiliate	Program Services				Supporting Services							Total Expenses
	Research	Public Health Education	Health Screening Services	Health Treatment Services	Fund Raising	Employee Cost	Occupancy	General and Administrative Postage and Shipping	Printing and Publication	Professional Fees	Other	
Acadiana	\$ 9,145	45,680	29,250	—	11,062	591	5,276	(140)	—	—	811	101,675
Arkansas	258,662	554,864	441,358	(3,155)	252,399	54,175	9,402	2,300	794	1,388	7,476	1,579,663
Aspen	6,661	31,368	109,354	15,008	34,416	16,728	10,116	936	1,159	—	1,509	227,255
Austin	198,718	289,022	223,734	163,996	212,842	45,572	11,462	1,994	1,476	—	22,157	1,170,973
Baton Rouge	24,584	83,013	15,750	30,750	33,588	—	2,356	74	389	—	258	190,762
Bay Area	208,208	258,023	158,977	354,179	382,223	88,008	25,416	884	2,356	25,738	8,269	1,512,281
Bayou Region	21,722	58,033	26,023	29,520	12,616	4,228	795	—	—	35	—	152,972
Boise	65,750	131,853	83,314	—	87,669	4,038	4,390	289	36	111	5,197	382,647
Boston	159,421	174,622	125,319	67,827	83,930	5,752	3,132	519	250	688	4,025	625,485
Brainerd Lakes	7,382	34,726	5,733	—	7,215	—	261	108	—	—	385	55,810
Central Florida	27,307	120,667	39,764	5,098	49,000	751	1,979	233	—	—	1,127	245,926
Central Georgia	29,104	84,148	(1,636)	20,000	3,866	2,655	4,740	285	161	30	—	143,353
Central Mississippi	35,105	66,709	78,663	24,000	14,805	144	1,044	37	—	—	2,247	222,754
Central New Mexico	35,380	70,487	71,418	42,300	27,125	7,822	2,140	584	82	—	476	257,814
Central New York	94,816	231,534	115,404	9,442	87,594	22,118	7,308	1,810	644	179	4,927	575,776
Central Oklahoma	112,803	147,800	330,311	—	129,279	38,742	11,869	914	154	917	689	773,478
Central Texas	63,576	66,511	158,301	50,029	54,909	616	227	160	—	110	5,244	399,683
Central Valley	27,953	82,535	—	—	59,000	28,140	897	2,647	5,215	440	5,340	214,496
Charleston	75,282	172,095	83,986	2,040	104,348	28,092	10,728	1,387	1,120	—	559	479,637
Charlotte	205,519	429,207	261,129	146,913	166,305	33,440	48,250	1,979	1,278	1,404	5,439	1,300,863
Chattanooga	43,293	115,773	24,226	31,600	38,855	1,961	1,476	1,163	—	1,475	589	260,411
Chicagoland Area	164,007	713,994	—	75,063	181,995	24,714	15,907	2,244	1,113	—	8,749	1,187,786
Coeur d'Alene	22,025	52,444	29,788	—	16,040	1,533	904	12	38	—	605	123,389
Colorado Springs	103,864	232,999	129,089	37,651	63,759	723	1,751	660	414	1,396	6,879	579,185
Columbus	199,992	535,285	199,897	70,918	295,264	23,292	8,788	(622)	1,822	4,314	5,657	1,344,607
Connecticut	244,541	432,752	235,038	57,550	162,757	3,072	5,587	5,358	10,058	5,315	15,354	1,177,382
Dallas County	388,279	441,745	733,599	222,804	730,355	51,995	46,119	1,213	1,956	5,379	25,405	2,648,849
Denver Metropolitan	646,060	1,551,480	813,060	1,361,434	1,006,710	110,449	39,283	2,730	(3,150)	7,763	10,996	5,546,815
Des Moines	88,217	116,018	260,952	54,676	111,829	7,187	1,728	303	1,590	—	532	643,032
Eastern Washington	13,334	14,123	17,642	—	—	299	463	231	3,260	—	738	50,090
El Paso	62,192	108,381	43,551	90,349	88,454	7,681	5,105	331	362	—	962	407,368
Elmira	15,029	7,844	26,814	7,433	3,924	—	285	—	—	—	—	61,329
Florida Suncoast	147,310	213,847	434,538	—	139,426	2,291	2,981	2,112	8,043	278	4,681	955,507
Georgia	334,769	679,576	459,680	127,785	148,722	52,515	26,284	1,000	8,497	2,293	32,441	1,873,562
Grand Rapids	92,113	121,430	77,548	—	54,061	15,286	3,452	763	603	940	4,536	370,732
Greater Amarillo	27,521	46,689	26,527	—	65,112	5,527	162	227	194	—	—	171,959
Greater Cincinnati	124,801	356,647	117,244	—	163,927	10,685	10,336	212	29	351	3,361	787,593
Greater Evansville	157,079	438,848	126,398	154,558	218,377	40,116	11,139	2,889	2,272	—	6,729	1,158,405
Greater Kansas City	127,962	87,563	296,963	63,314	89,525	53,516	10,030	1,043	—	51	7,959	737,926
Greater Lansing	23,766	147,987	61,709	—	73,176	1,659	2,525	272	489	—	1,530	313,113
Greater Miami/Ft Lauderdale	117,144	428,707	133,894	80,537	174,716	16,429	7,891	584	4,657	495	10,333	975,387
Greater Nashville	47,726	100,737	72,239	15,535	108,480	10,124	15,058	278	1,592	—	374,167	
Greater New York City	960,049	1,018,561	151,678	828,731	808,514	127,628	76,305	19,413	19,269	13,210	17,896	4,041,254
Greater Richmond	58,687	91,753	46,566	35,877	49,329	4,278	864	952	—	—	262	288,568
Hawaii	54,886	129,040	27,452	17,637	57,397	3,153	2,832	463	848	—	1,535	295,243
Houston	659,063	278,499	820,922	216,035	478,051	167,931	34,297	4,509	13,891	7,423	5,322	2,685,943
Indianapolis	314,627	141,199	652,068	—	241,947	78,225	39,154	7,668	2,431	6,189	15,079	1,498,587

## THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.

Schedule of Functional Expenses by Affiliate

Year Ended March 31, 2004

Affiliate	Program Services				Supporting Services General and Administrative							Total Expenses
	Research	Public Health Education	Health Screening Services	Health Treatment Services	Fund Raising	Employee Cost	Occupancy	Postage and Shipping	Printing and Publication	Professional Fees	Other	
Inland Empire	\$ 81,265	353,367	—	—	150,758	33,365	17,808	113	1,454	7,262	320	645,712
Knoxville	98,019	226,588	141,547	5,073	99,646	15,383	14,845	458	523	3,000	733	605,815
Las Vegas	137,313	555,779	44,270	26,715	258,144	31,264	17,807	1,501	3,265	—	28,854	1,104,912
Lexington	52,401	75,549	—	94,662	20,832	3,069	3,362	1,212	—	—	817	251,904
Los Angeles County	106,142	630,896	181,000	102,000	438,259	31,379	18,674	1,506	485	6,000	7,618	1,523,959
Louisville	68,263	187,873	83,691	15,097	58,752	—	2,367	(61)	1,053	—	15,359	432,394
Lubbock Area	45,533	110,217	42,720	6,369	17,639	9,710	4,105	2,234	1,014	200	1,976	241,717
Madison	83,622	179,563	—	89,966	108,215	(278)	760	—	—	—	135	461,983
Maine	31,278	65,659	68,494	18,970	24,953	5,111	2,035	436	362	—	4,576	221,874
Maryland	279,224	513,337	276,140	204,203	371,531	112,877	40,111	2,755	6,955	9,583	28,580	1,845,296
McLean County	—	40,420	—	—	—	—	—	235	97	16,133	1,473	66,333
Memphis-Mid-South	112,210	239,305	350,567	—	187,769	12,873	4,763	369	—	49,748	3,345	960,949
Mid-Kansas	60,236	130,258	238,411	17,028	52,991	4,330	4,045	684	544	—	9,451	517,978
Milwaukee	151,919	327,547	—	18,045	35,803	19,086	1,905	1,100	1,873	—	475	557,753
Minnesota	659,972	575,542	951,156	—	498,663	72,605	16,348	2,041	211	—	3,831	2,780,369
Missouri Regional (733)	—	—	—	—	—	—	781	—	450	—	3,239	3,737
Montana	26,478	75,595	45,138	—	71,385	3,017	646	—	—	—	297	222,556
NC Triangle	143,253	555,557	61,910	2,438	133,990	52,947	16,870	841	1,657	3,180	11,184	983,827
Nebraska	87,676	200,560	156,533	50,193	51,096	6,979	3,852	1,636	2,092	—	534	561,151
New Orleans	65,309	90,617	105,817	91,679	33,407	12,991	7,098	566	910	281	1,428	410,103
North Carolina Foothills	25,784	55,552	40,697	40,068	14,840	1,072	2,002	363	910	—	1,389	182,677
North Carolina Triad	90,901	214,892	158,307	—	142,753	2,609	5,776	211	974	2,450	1,262	620,135
North Central Alabama	60,352	147,616	232,131	20,580	97,415	19,372	8,006	4,203	5,581	844	24,029	620,129
North Colorado	14,627	44,327	—	10,050	16,851	—	525	—	—	—	95	86,475
North Florida	36,153	52,057	67,346	—	36,048	15,817	8,430	843	112	1,296	1,665	219,767
North Jersey	510,208	1,300,369	13,663	—	—	105,446	139,599	11,664	39,719	13,493	70,823	2,204,984
North Mississippi	22,957	33,211	53,000	—	19,076	173	—	—	—	—	—	128,417
Northeast Louisiana	52,410	42,285	14,788	88,226	6,009	2,873	1,001	289	67	—	858	208,806
Northeast Ohio	516,429	398,866	146,945	119,505	171,925	31,656	2,970	612	—	1,117	687	1,390,712
Northeast Pennsylvania	39,379	167,545	46,476	63,113	70,878	14,158	19,292	1,501	3,310	1,150	2,477	429,279
Northeastern New York	46,620	105,098	26,420	29,580	41,077	317	896	163	—	250	1,146	251,567
Northern Nevada	48,934	68,458	80,250	126,339	60,194	12,630	3,068	162	36	150	2,904	403,125
Northwest Ohio	134,722	84,883	98,436	181,059	96,526	6,874	174	—	39	—	418	603,131
Orange County	375,062	886,334	280,376	511,657	470,417	39,085	37,123	5,157	11,605	5,615	8,235	2,630,666
Oregon and SW Washington	343,956	1,220,018	623,035	—	405,853	94,553	21,254	5,683	13,381	1,417	17,618	2,746,768
Ozark	131,025	279,944	110,125	160,285	242,811	50,188	7,718	2,167	2,277	2,285	2,984	991,809
Peoria	328,786	405,512	166,474	142,886	273,288	31,779	47,365	3,968	1,435	2,497	36,422	1,440,412
Philadelphia	1,003,422	1,178,745	137,984	201,392	305,121	60,459	37,709	5,409	16,591	—	6,380	2,953,212
Phoenix	262,887	938,585	186,369	288,636	507,598	100,424	7,900	3,029	1,101	22,890	29,220	2,348,639
Plano	108,808	50,105	110,285	179,179	22,846	3,304	4,285	251	745	—	4,421	484,229
Puget Sound	427,698	729,788	587,679	174,306	239,871	94,949	19,901	7,706	13,675	3,803	9,773	2,308,694
Quad Cities	79,497	180,262	229,532	—	116,852	(270)	1,734	491	497	—	—	608,595
Rhode Island	14,150	1,497	—	76,054	3,523	—	1,858	16	40	—	250	97,388
Sacramento Valley	414,899	545,016	142,860	92,721	523,477	22,567	11,313	2,412	7,991	426	3,300	1,766,982
Salt Lake City	59,779	197,910	47,462	—	92,946	—	14,884	192	—	154	5,778	420,951
San Antonio	466,420	864,823	299,989	100,163	466,192	54,767	20,199	2,604	702	1,874	4,173	2,281,906
San Diego	353,997	243,448	164,385	265,322	69,740	16,768	4,655	560	18	471	1,867	1,121,231
Shreveport	28,218	56,009	99,164	—	28,557	—	1,004	362	402	—	343	214,059

## THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC.

Schedule of Functional Expenses by Affiliate

Year Ended March 31, 2004

Affiliate	Program Services				Supporting Services							Total Expenses
	Research	Public Health Education	Health Screening Services	Health Treatment Services	Fund Raising	Employee Cost	Occupancy	General and Administrative				
								Postage and Shipping	Printing and Publication	Professional Fees	Other	
South Florida	\$ 254,252	506,398	398,947	—	268,865	35,389	10,437	2,781	2,934	1,406	940	1,482,349
Southeast Iowa	11,283	15,352	13,473	13,731	41,597	—	162	38	—	—	318	95,954
Southern Arizona	118,351	357,844	155,852	30,153	165,398	13,822	2,870	590	291	26	4,282	849,479
Southwest Florida	33,245	24,456	40,370	17,142	—	3,049	4,124	366	—	—	30,258	153,010
Southwest Michigan	35,274	57,799	48,280	31,374	37,414	1,520	3,965	1,789	3,424	400	2,137	223,376
St. Louis	406,422	938,301	504,459	83,155	233,782	75,760	49,193	3,018	12,183	3,483	11,411	2,321,167
Tarrant County	188,010	317,127	141,234	261,434	193,326	12,615	1,962	1,796	7,558	—	3,133	1,128,195
Texarkana	113,088	131,644	93,035	—	72,078	—	—	83	—	—	—	409,928
Tidewater	37,155	50,914	51,207	34,128	27,901	768	4,941	659	1,599	—	2,672	211,944
Tulsa	72,937	107,772	215,758	—	75,424	601	1,724	—	323	—	802	475,341
Tyler	47,894	58,085	131,523	12,307	32,435	1,743	9,911	226	79	392	10,040	304,635
Upstate South Carolina	77,051	203,834	68,475	22,008	74,147	101	12,286	1,188	8,415	—	5,292	472,797
Vermont	85,109	151,878	75,650	36,548	38,343	11,005	6,454	2,531	1,598	300	204	409,620
Wabash Valley	22,310	66,944	18,718	—	16,274	214	1,326	969	140	—	3,315	130,210
West Virginia	20,979	10,946	—	—	8,759	—	580	308	(1,617)	—	(175)	39,780
Western New York	54,409	204,096	47,781	9,861	49,549	3,588	536	74	—	475	601	370,970
Wichita Falls	14,705	23,000	49,500	—	21,623	870	44	13	—	—	53	109,808
Wyoming	52,418	87,229	97,869	5,072	28,156	16,606	2,542	38	974	252	5,624	296,780
Total of affiliates	16,837,786	30,677,821	17,438,937	8,736,906	15,895,621	2,576,996	1,251,061	166,801	277,446	252,215	710,312	94,821,903
International headquarters	39,230,259	13,930,065	—	—	9,767,120	3,565,779	1,068,763	332,202	331,274	2,207,369	4,938,197	75,371,028
Payment from affiliates for research	(16,837,786)	—	—	—	—	—	—	—	—	—	—	(16,837,786)
Consolidated total	\$ 39,230,259	44,607,887	17,438,937	8,736,906	25,662,741	6,142,775	2,319,824	499,003	608,720	2,459,584	5,648,509	153,355,145

See accompanying independent auditors' report