



ELSA U. PARDEE FOUNDATION

■ 2012 ANNUAL REPORT ■

Fighting Cancer Every Day

OFFICERS AND TRUSTEES

Gail E. Lanphear	President
Lisa J. Gerstacker	Vice President, Asst. Treasurer
Mary M. Neely.....	Secretary
Alan W. Ott.....	Treasurer
W. James Allen.....	Asst. Treasurer, Asst. Secretary
Laurie G. Bouwman	Trustee
William C. Lauderbach.....	Trustee
William D. Schuette	Trustee
Michael Woolhiser	Trustee

Kathy McDonald, Staff Assistant

THE MEDICAL COMMITTEE

Michael Woolhiser, Ph.D. (Chairman)
Darrell R. Boverhof, Ph.D.
Brian B. Gourlie, Ph.D.
Matthew J. LeBaron, Ph.D.
Patricia LoRusso, D.O.
*Ahmed Abdel Maksoud, M.D.
*Rosalyn M. Sweeting, Ph.D.
David H. Swenson, Ph.D.
Bing Yang, Ph.D.

* Members of Medical Committee – April 10, 2012

PURPOSE OF THE FOUNDATION

The Elsa U. Pardee Foundation was established in 1944 under the terms of the will of its namesake, whose life was taken by cancer on October 2, 1944. Mrs. Pardee provided a \$1,000,000 trust fund “for the promotion of the control and cure of cancer.” She directed that this bequest be used to support research in the field of cancer and to provide for others the advantages of knowledge and techniques still undiscovered in the treatment of cancer.

Cover Photo

Elsa U. Pardee with her husband, James T. Pardee, former board chairman of The Dow Chemical Company.

PRESIDENT'S LETTER

It is with a sense of gratitude that I look back on 2012: gratitude to my great aunt Elsa Pardee who herself a victim of cancer, designated funds for "the control and cure of cancer" in 1944; and to the dedicated trustees and Medical Committee members who have donated experience and expertise to our decision making over the last 68 years. Prudent management and distribution of these Pardee funds over 68 years has enabled the Foundation to impact cancer research and the lives of individual victims in significant ways. 2012 was no exception.

Two new Medical Committee members were appointed to review and evaluate research grants. Ahmed Abdel-Maksoud, M.D. and Rosalyn Sweeting, Ph.D. joined our esteemed Medical Committee this year. We welcome them and appreciate their significant commitment. The Medical Committee is the heart of our research effort.

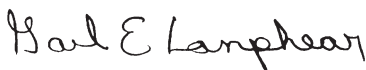
In 2012 we learned that our beloved administrative assistant, Lucille Dougherty, would be retiring in March 2013. Lucille is irreplaceable, about that there is no doubt. She will be missed terribly. Her 30 years of devoted service reveal a spotless reputation in all respects. Those of us associated with the Pardee Foundation wish Lucille the very best in her well-deserved retirement. The administrative bright spot in 2012 was the hiring of Kathy McDonald as our new administrative assistant. She comes to us highly recommended. Welcome Kathy.

Total funds approved for distribution in 2012 was \$3.7 million. Of that, \$2.4 million was distributed for research. The Pardee Medical Committee expertly chaired by Mike Woolhiser, evaluated 160 research grant proposals with 20 being funded. \$1.125 million was approved to support six Pardee Cancer Treatment Funds who served a total of 747 victims of cancer in 2012. The average amount spent per individual was \$1685. Additionally, \$183,000 was approved to support education initiatives.

I am amazed at the progress in the realm of cancer research and treatment during my 57 years of service with the Foundation. Despite the fact that we have many miles to go, it is exciting to have a role in funding outstanding research, and treatment to victims in need.

My heartfelt appreciation goes to our Pardee trustees, Medical Committee members, Treatment Committee boards and staff, and administrative assistants for their dedicated service that makes these efforts possible.

Sincerely,



Gail E. Lanphear
President

Grants Made By The Foundation For the Year Ended December 31, 2012

Recipient and Purpose	Amount
Boston University – For the study of targeting a novel G protein activator for cancer therapeutics	\$154,787
University of California – For the study of novel roles of microRNA let-7C in prostate cancer (\$141,049); for the study of the potential application of irreversible electroporation (IRE) in the treatment of pancreatic cancer (\$155,214); for the study of the role of autophagy in promoting treatment resistance in glioblastoma (\$122,627)	418,890
University of Cincinnati – For the study of targeting tumor-associated fibroblasts as a therapeutic strategy in melanoma	81,385
Henry Ford Health System – For the study of CDDO-Me, a novel triterpenoid for the treatment of pancreatic cancer	95,025
University of Illinois, Chicago – For the study of determining the therapeutic value of targeting the breast tumor kinase PTK6 in breast cancer	157,461
University of Iowa – For the study of multifunctional RNA-based therapy for advanced cancers of the breast	100,000
John Hopkins University – For the study of in vitro and in vivo characterization of miR-675 in esophageal squamous cell carcinomas	124,858
University of Michigan – For the study of CYR61/CCN1 increasing tumor growth and metastasis in human ovarian cancer (\$123,949); for support of a medical oncology fellowship training program (\$100,000)	223,949
University of Nebraska – For the study of hPaf1 in the drug resistance of ovarian cancer stem cells (125,000); for the study of direct protein kinase activity sensors for interrogating clinically relevant signaling pathways (\$94,023)	219,023
Pennsylvania State University – For the study of the development of novel thiobarbituric acid analogs for lung cancer (\$125,000); for the study of regulation of myeloid derived suppressor cell activity by B cells (\$157,013)	282,013
University of South Florida – For the study of novel proteasome inhibitors as potential anti-cancer agents	117,399
University of Texas, MD Anderson – For the study of coordinate regulation of the ECFR signaling pathway by microRNA in head and neck cancer (\$148,286); for the study of oncogenic mutations in circulating tumor DNA in personalized cancer therapy (\$130,440); for the evaluation of TAK1 as a tumor suppressor gene in prostate cancer (\$141,211)	419,937
Yale University – For the study of a novel apoptosis inducing therapy targeted to mitochondria in cancer cells	131,050
MidMichigan Medical Center – For continuation of the cancer registry (\$75,000); for the memorial lectureship program (\$1,300)	76,300
Pardee Cancer Treatment Association of Greater Brazosport, TX – For a program supporting the cure and control of cancer	50,000
Pardee Cancer Treatment Fund of Bay County – To assist in the cure and control of cancer through the program of the Pardee Cancer Treatment Committee of Bay County	150,000

Pardee Cancer Treatment Fund of Clare County – To assist in the cure and control of cancer through the program of the Pardee Cancer Treatment Committee of Clare County	150,000
Pardee Cancer Treatment Fund of Gratiot County – To assist in the cure and control of cancer through the program of the Pardee Cancer Treatment Committee of Gratiot County	175,000
Pardee Cancer Treatment Fund of Isabella County – To assist in the cure and control of cancer through the program of the Pardee Cancer Treatment Committee of Isabella County	200,000
Council of Michigan Foundations	7,200
Total Grants	<u>\$3,334,277</u>
Increase (decrease) in grants authorized but unpaid Pardee Cancer Treatment Fund of Midland/Gladwin	400,000
Grant funds returned	(108,158)
Administrative expense	240,521
Federal Excise Tax	83,893
Other Taxes	13,489
TOTAL DISBURSEMENTS	<u>\$3,964,022</u>

ELSA U. PARDEE FOUNDATION

Midland, Michigan

Statement of Assets, Liabilities and Net Assets – Modified Cash Basis

December 31, 2012

Assets

Cash and cash equivalents	\$ 8,581,146
Marketable securities (at fair market value):	
Stocks	52,374,838
Corporate bonds	6,358,450
Foreign bonds	1,635,635
Government bonds	10,552,734
Certificates of deposit	249,777
Mutual funds	1,782,353
Total marketable securities	<u>72,953,787</u>
Limited partnerships	416,051
Total assets	<u>\$ 81,950,984</u>

Liabilities

Federal excise tax payable	\$ 2,500
Grants payable	400,000
Total liabilities	<u>402,500</u>

Unrestricted net assets

Total unrestricted net assets	<u>\$ 81,548,484</u>
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Statement of Revenue, Expenses, and Changes in Net Assets – Modified Cash Basis

Year ended December 31, 2012

Revenues and gains (losses)

Interest	\$ 603,876
Dividends	2,197,777
Contributions	500
Net realized gain on investments	1,643,487
Net unrealized gain on investments	5,517,762
Losses from limited partnerships	(87,205)
Total revenue and gains (losses)	<u>9,876,197</u>

Grants

Grants authorized:

Grant payments made	3,334,277
Grant funds returned	(108,159)
Increase in grants authorized but unpaid	400,000
Total grants	<u>3,626,118</u>

Other expenses

Administrative	240,522
Federal excise taxes	83,893
Other taxes	13,489
Total other expenses	<u>337,904</u>
Total grants and other expenses	<u>3,964,022</u>
Increase in unrestricted net assets	5,912,175
Unrestricted net assets at beginning of period	75,636,309
Unrestricted net assets at end of period	<u>\$ 81,548,484</u>

GRANT APPLICATION PROCEDURE

The Elsa U. Pardee Foundation operates under the laws of the State of Michigan, with headquarters in Midland, Michigan. Since its establishment (the Articles of Incorporation were filed December 28, 1944), the trustees have been responsible for allocating the funds to the best uses for which the late Mrs. Pardee intended them.

The Foundation does not directly administer the programs which it supports. The recipients are asked to submit yearly progress reports and a financial accounting concerning the expenditures of the research grant.

Grants are limited under the terms of the charter to the cure and control of cancer, and in general do not provide for building funds, equipment (except that used in a specific project), fellowships or fund-raising campaign contributions.

The Elsa U. Pardee Foundation provides support for research directed towards the detection, treatment, and cure of cancer. Priority is given to researchers at non-profit institutions in the United States who are new to the field of cancer research, or to established research investigators examining new approaches to cancer cure.

An attempt is made to initiate several new projects each year, as other projects are concluded. The Foundation particularly welcomes innovative, small-scale, short-term projects which may be difficult to fund elsewhere until some interesting results are obtained.

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ELSA U. PARDEE
FOUNDATION

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