



ELSA U. PARDEE FOUNDATION

■ 2014 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
Laurie G. Bouwman	Asst. Secretary
W. James Allen.....	Trustee
William C. Lauderbach.....	Trustee
Bill 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.
Paal Klykken, Ph.D.
Matthew J. LeBaron, Ph.D.
Rosalyn M. Sweeting, Ph.D.
Bing Yang, Ph.D.

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

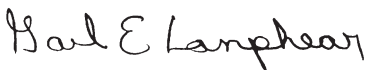
For the past seventy years Pardee Foundation trustees have remained focused on the charge of the foundation's founder, "the control and cure of cancer". Elsa U. Pardee's million dollar gift in 1944 has grown over the years to more than \$93,000,000 in assets. Pardee funds provide support to outstanding cancer researchers across the country, financial assistance to victims of cancer and fellowships for young cancer researchers at state of the art institutions. These gifts have been possible because of the dedicated efforts of the Pardee trustees, the Pardee Treatment Committee boards and staff, and the Pardee Medical Committee. It has been my great privilege to work with them over the past 58 years.

It is a special treat each year for me to join Pardee Treatment Committee boards and staff at the annual luncheon honoring their efforts. To hear the stories of families in crisis who have been aided by Pardee funds is heartwarming. Letters from victims and their families let the trustees know that these committees make a huge difference in the lives of families touched by cancer. In 2014, 695 cancer victims were aided at an average cost of \$1,702 per individual.

This year I would like to pay tribute to the two exceptional financial leaders whose prudent fiscal management has insured that foundation resources have greatly increased over the years. These exceptional leaders are Carl Gerstacker, my uncle, who passed away in 1994; and his successor Alan Ott, our current treasurer. Accolades are due both men for their many years of outstanding, faithful service to the Pardee Foundation.

At year's end I want to express appreciation for the exceptional efforts of the Pardee trustees, the Pardee Medical Committee, the Pardee Treatment Committee boards and staff and our administrative assistant, Kathy McDonald. Special thanks to each of you.

Sincerely,



Gail E. Lanphear
President

Grants Made By The Foundation For the Year Ended December 31, 2014

Recipient and Purpose	Amount
Baylor College of Medicine – For researching a novel therapeutic approach for prostate cancer (\$110,000); for the study of immunosuppressive cytokine-resistant T-cell therapy for breast cancer (\$138,998)	\$248,998
Brigham Young University – For the study of non-histone lysine acetylation in cancer: targeting the pro-survival signaling hub of 14-3-3z	139,886
Indiana University – For the therapeutic evaluation of microRNA-29 to target the pancreatic cancer stroma	126,553
Research Institute at Nationwide Children’s Hospital – For the study of the oncogenic and metabolic dysregulation in neuroblastoma (\$150,000); for the study of enhancing oncolytic herpes virotherapy through directed evolution strategy (\$138,000)	288,000
Stanford University – For the study of multi-plexed in vivo drug screening: inhibitors of metastatic seeding	150,000
University of California, Los Angeles – For the study of a multimodal imaging system for intraoperative head and neck cancer margin detection (\$150,000); for the study of a rationally designed p53 aggregation inhibitor as a new targeted therapy for high grade ovarian cancer (\$148,142)	298,142
University of Georgia – For the study of improving delivery of nano-particle-based drugs by photodynamic therapy	125,000
University of Louisville – For the study of an effective therapeutic strategy on papillomavirus-induced cancer	115,000
University of Michigan – For the study targeting tumor infiltrating immune cells as a therapeutic strategy in pancreatic cancer (\$150,179); for support of a medical oncology fellowship training program (\$100,000)	250,179
University of Pittsburgh – For the study of miR-506 as a novel therapy of ovarian cancer targeting metastasis and drug resistance	136,620
University of the Sciences in Philadelphia – For the study of the role of CAPER in human brain cancer progression	101,252
University of Southern California – For the study of targeted antibody-drug conjugates for effective therapy of multidrug-resistant breast cancers	110,000
Virginia Polytechnic Institute & State University – For the study of ACT1, a Cx43-targeted drug approved by the FDA, into a glioblastoma treatment	115,000
Washington University – For the study of immunomodulation for the treatment of hepatocellular carcinoma (\$128,125); for the study of targeting IRAK1/4 as a novel therapeutic strategy in pancreatic cancer (\$114,841)	242,966
Wayne State University – For the study of programmed in situ delivery of metabolism disruptors to malignant brain tumors: clinical and pre-clinical	154,277
MidMichigan Medical Center – For continuation of the cancer registry (\$75,000); for the memorial lectureship program (\$5,000)	80,000
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	175,000
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	175,000
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
Pardee Cancer Treatment Fund of Midland/Gladwin – To assist in the cure and control of cancer through the program of the Pardee Cancer Treatment Fund	0
Council of Michigan Foundations	9,700
Total Grants	<u>\$3,466,573</u>
Grant funds returned	(8922)
Administrative expense	283,354
Federal Excise Tax	146,000
Other Taxes	13,707
TOTAL DISBURSEMENTS	<u>\$3,900,712</u>

ELSA U. PARDEE FOUNDATION

Midland, Michigan

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

December 31, 2014

Assets

Cash and cash equivalents	\$ 22,598,832
Marketable securities (at fair market value):	
Stocks	46,282,718
Corporate bonds	6,354,672
Government bonds	11,295,254
Mutual funds	2,403,317
Total marketable securities	<u>66,335,961</u>
Limited partnerships	1,459,831
Prepaid federal excise tax	36,480
Total assets	<u>\$ 90,431,104</u>

<u>Unrestricted net assets</u>	90,431,104
Total liabilities and unrestricted net assets	<u>\$ 90,431,104</u>

Statement of Revenue, Expenses, and Changes in Net Assets – Modified Cash Basis

Year ended December 31, 2014

Revenues and gains (losses)

Interest	\$ 541,692
Dividends	1,400,828
Net realized and unrealized gain on investments	2,434,764
Losses from limited partnerships	(30,116)
Total revenue and gains (losses)	<u>4,347,168</u>

Grants

Grants authorized:	
Grant payments made	3,466,573
Grant funds returned	(8,922)
Total grants	<u>3,457,651</u>

Other expenses

Administrative	283,354
Federal excise taxes	146,000
Other taxes	13,707
Total other expenses	<u>443,061</u>
Total grants and other expenses	<u>3,900,712</u>
Increase in unrestricted net assets	446,456
Unrestricted net assets at beginning of period	89,984,648
Unrestricted net assets at end of period	<u>\$ 90,431,104</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), 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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