



ELSA U. PARDEE FOUNDATION

■ 2018 ANNUAL REPORT ■

Fighting Cancer Every Day

OFFICERS AND TRUSTEES

Gail E. Lanphear	President
Lisa J. Gerstacker	Vice President, Asst. Treasurer
Alan W. Ott.....	Treasurer
Laurie G. Bouwman	Secretary
William C. Lauderbach.....	Trustee
Bill Schuette.....	Trustee
William G. Schuette.....	Trustee
Michael Woolhiser	Trustee
Mary M. Neely.....	Director Emeritus
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Kathy McDonald, Staff Assistant	

THE MEDICAL COMMITTEE

Michael Woolhiser, Ph.D. (Chairman)

Jamie K. Alan, PharmD, Ph.D.

Darrell R. Boverhof, Ph.D.

Daniel P. Griffin, Ph.D.

Brian B. Gourlie, Ph.D.

Paal Klykken, Ph.D.

Matthew J. LeBaron, Ph.D.

Melissa Reimers, M.D.

Nguyen Tran, M.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

It is my honor to dedicate this 2018 annual report to our esteemed trustee Alan J. Ott. Mr. Ott has been a foundation member for 30 years and has served as foundation treasurer for 24 of those years. Sharing his financial, community and organizational expertise, Mr. Ott has built the solid financial infrastructure upon which this foundation currently stands. Carl Gerstacker, the foundation's original treasurer and nephew of our founder, carefully chose his successor. His trust in Alan Ott was unwavering. The ensuing years have borne out the wisdom of his decision. Since Mr. Gerstacker's death in 1995, Mr. Ott has worked tirelessly to ensure that the foundation's financial assets and philanthropic endeavors remain secure and sound. His dedicated efforts have ensured the foundation's success in carrying out the mission of our founder Elsa U. Pardee – "the control and cure of cancer". Alan Ott will be retiring from his position as treasurer in 2019.

William Lauderbach has been named the new treasurer of the Pardee foundation for 2019. Mr. Lauderbach has been a valued Pardee trustee for seven years.

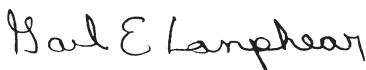
The foundation is honored to welcome a new trustee, Reverend Andreas Teich, to the Pardee Board. He has served on the Bay County Pardee Cancer Treatment Fund board since 2000 and was elected their president in 2007. Reverend Teich currently chairs the Treatment Funds Presidents' Committee.

A veteran of both the Midland Cancer Treatment Committee and the Pardee Foundation Board, Mary Neely was named Trustee Emeritus of the Pardee Foundation in 2018. This tribute is the culmination of her many years of outstanding service on behalf of cancer victims and their families.

The Pardee Medical Committee received 324 grant requests in 2018. Nineteen were granted funding for outstanding research projects. Financial assistance was provided to 690 cancer victims this year through the six Pardee Treatment Committees.

It is my privilege to express deep appreciation to the trustees, medical committee members and staff of the Elsa U. Pardee Foundation and to the Pardee Treatment Committee members and staff for their efforts in 2018 on behalf of cancer victims and their families. The foundation thrives because of your dedicated service.

Sincerely,



Gail E. Lanphear
President

Grants Made By The Elsa U. Pardee Foundation For the Year Ended December 31, 2018

Recipient and Purpose	Amount
Beckman Research Institute – for the identification and characterization of founder cells in chronic lymphocytic leukemia	150,000
Johns Hopkins University – for the study of single-cell secretomics for identifying presymptomatic pancreatic cancer	163,364
Massachusetts General Hospital – for targeting metabolic vulnerabilities of MDSC's to enhance immune therapy	172,500
Memorial Hospital (Sloan Kettering Cancer Center) – for a pilot study of geriatric assessment and neurocognitive evaluation for CAR-T cell in older patients	107,080
Michigan State University – for a study to determine the genetics driving breast cancer metastasis to the lymph node	149,413
Northwestern University, Feinberg School of Medicine – for the study of delineating the pro-oncogenic role of deubiquitination in high-risk acute lymphoblastic leukemia	202,246
Pennsylvania State University – for a study targeting a novel Fascin-Nrf2 signaling circuit in metastatic lung cancer	199,762
Southern Illinois University – for the study of mechanogenomics approaches to identify novel biomarkers and molecular signatures of pancreatic tumor initiating cells	156,978
University of Alabama – for a study targeting PRMT1 as a curative therapy for acute myeloid lung cancer	115,000
University of California, San Francisco – for a study to halt the progression of melanoma through inhibition of cell state plasticity	150,032
University of Houston – for the study of the novel role of the embryonic mesendoderm factor Mesp1 in lung cancer	194,086
University of Louisville – for the study of tuning exosomes to activate anti-lung cancer macrophages	185,241
University of Michigan – for support of a medical oncology fellowship training program (\$150,000)	150,000
University of New Haven – for the study of exosome mediated microRNA regulation of HPV negative cervical cancer	140,140
University of Texas, MD Anderson Cancer Center – for the study of the development of novel liquid biopsy for early detection and risk prediction of pancreatic cancer	147,062
University of Texas Medical Branch, Galveston – for the study of overcoming cisplatin resistance in head and neck cancer with crenolanib, a PDGFR-a small molecular inhibitor	146,559
Wake Forest University – for the study of profiling cell composition and methylation in the bone pre-metastatic niche (\$179,830); and for the study of a new Th9 paradigm of CD10-CAR T cell therapy to eliminate leukemia without the induction of cytokine storm (\$142,324)	322,154
Wayne State University – for the study of epigenomic regulation of chromatin in cancer	182,289
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	205,000
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	200,000
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	200,000
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 of Midland/Gladwin Counties	400,000
Council of Michigan Foundations	9,900
Total Grants	<hr/> \$4,378,806
Grant funds returned	(11,855)
Administrative expense	111,193
Federal Excise tax	29,000
Other Taxes	6,162
TOTAL DISBURSEMENTS	<hr/> \$4,244,306

ELSA U. PARDEE FOUNDATION

Midland, Michigan

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

December 31, 2018

Assets

Cash and cash equivalents	\$ 6,699,622
Marketable securities (at fair market value):	
Stocks	54,862,235
Corporate bonds	4,854,747
Government bonds	13,886,051
Mutual funds	2,434,454
Total marketable securities	<u>76,037,487</u>
Limited partnerships	2,051,033
Prepaid federal excise tax	32,080
Total assets	<u>\$ 84,820,222</u>

Liabilities and net assets

Liabilities

Grants payable	\$ —
Total liabilities	\$ —

Unrestricted net assets 84,820,222

Total liabilities and unrestricted net assets \$ 84,820,222

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

Year ended December 31, 2018

Revenues and gains (losses)

Interest	\$ 537,144
Dividends	1,775,000
Income – limited partnership	—
Net realized and unrealized gain on investments	(10,193,904)
Gains from limited partnerships	72,160
Total revenue and gains (losses)	<u>(8,061,944)</u>

Grants

Grants authorized:

Grant payments made	4,378,806
Grant funds returned	(11,855)
Increase (decrease) in grants authorized but not paid	—
Total grants	<u>4,366,951</u>

Other expenses

Administrative	111,193
Federal excise taxes	29,000
Foreign tax expense	12,516
Other taxes	6,162
Investment expenses	308,236
Total other expenses	<u>467,107</u>
Total grants and other expenses	<u>4,834,058</u>
Decrease in unrestricted net assets	<u>(12,643,658)</u>

Unrestricted net assets at beginning of period 97,463,880

Unrestricted net assets at end of period \$ 84,820,222

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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