



## Annual Report 2010



Partnership for Cures leverages the knowledge and resources that already exists in the scientific literature and medical practice, and the minds of researchers and clinicians, to move them quickly, safely and affordably to patients while they are still healthy enough to benefit.

Thousands of safe and effective FDA-approved drugs and other therapies can be repurposed to treat different diseases than those for which they were originally approved. Treatment protocols can be modified to help more patients for longer periods of time. Anecdotal clinical successes can be tested to see if they should be incorporated more widely into patient care.

This Rediscovery Research™ takes less time and money to impact a patient than “New Discovery Research.” Yet our current medical research system provides no incentives for researchers or companies to pursue Rediscovery Research™. The burden falls on private philanthropy, which cares about patient impact, instead of profit, promotion, publication or intellectual property protection.

Researchers will eagerly partner with philanthropists to deliver Rediscovery Research™ to patients, and the legal and regulatory rules support Rediscovery Research™.

With your help, we continue to make this happen, touching hundreds of thousands of lives each year! Thank you!!

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## Mission

Partnership for Cures raises funds for Rediscovery Research™ that reuses, recombines and reapplies existing science and medicine to quickly, safely and affordably create new treatments for patients with catastrophic diseases who need help NOW!

## 2010 Leadership Team

### Executive Board

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Mont Clare Animal Hospital

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Goldman Philanthropic Partnerships

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Judy Hirsch Foundation

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Development Committee

Gofen and Glossberg

**Michael L. Lucas, Chair**

Corporate/Foundation Advancement  
Committee

Leading Edge Investment Advisors

**Dr. Alana Baum, Chair**

Jasper Against Batten Fund

**Scott Rothrock, Chair**

Cure for MS Fund

### Staff

**Dr. Bruce E. Bloom**

President and Chief Science Officer

**Micha Siegel**

Vice President Advancement

## President's Letter

**LET'S SAVE LIVES NOW** by rushing new effective treatments to patients with life altering diseases **WHILE THEY ARE STILL ALIVE TO USE THEM!** Using Rediscovery Research™ to test existing FDA approved drugs for new uses in new diseases is fast and safe! Improving existing treatments is much easier than finding brand new treatments. Validating the impact of integrative medicine can make an immediate and inexpensive impact on quality and length of life. These advances eliminate the regulatory delays and cost issues of new drug or therapy development so life saving treatments can get to loved ones, often **IN 2 YEARS OR LESS**. Physicians can offer these "new" treatments to patients as soon as the research is complete and results are published.

### **What problem does this address?**

Too many loved ones deteriorate while waiting for "new drug" treatments. It takes 12-15 years and over \$1B to get a new drug to market. New drugs have unknown side effects and most do not "cure" - they're often just more expensive versions of existing drugs. The medical industry has no economic incentive to complete Rediscovery Research™ to repurpose old drugs or technology - they won't turn a profit! But patients need these "old therapies/new treatments" and private philanthropy can fund this research!

### **What impact can this have?**

This work has and will save precious lives, as well as **millions of dollars in healthcare costs!** Patients around the world with life altering, life ending diseases already have safe, effective, durable, affordable Rediscovery Research™ treatments. This is especially critical in rare diseases with so few patients that new drug development is impossibly expensive. When researchers have funds from private philanthropy to create these Rediscovery Research™ treatments they can quickly be delivered to patients and physicians can begin using them "off label" or in clinical trials as soon as the research results are published!

### **What inspires our work?**

Friends and family are suffering every day of catastrophic disease. The \$60B a year spent on new drug/new technology research by the government and industry rarely makes a difference today or any time soon. We don't want to watch another loved one suffer without doing something! Researchers, government employees and pharma execs tell us repurposing old drugs and other therapies can create significant and immediate impact, but they can't make it happen without private philanthropy. Harnessing the new power of old science and medicine is thinking FOR-PATIENT instead of FOR-PROFIT!

Come Join Us!



Dr. Bruce E. Bloom  
President and Chief Science Officer

## Sample PFC Funded Scientific Advances

### Helping Children Overcome a Deadly Orphan Disease

This update is for our donors on the impact your \$35,000 contribution has made to produce the first and only effective treatment for the childhood blood disease Autoimmune Lymphoproliferative Syndrome (ALPS) at Children's Hospital of Philadelphia. ALPS is considered an "orphan" disease, since it affects less than 200,000 Americans. Children with ALPS lead difficult lives. ALPS causes anemia and increased infections, so ALPS patients spend 5-10 days in the hospital every month getting transfusions and IV antibiotics. Though they have normal IQ, physical capabilities and communication skills, they are often years behind in school because of their chronic hospitalization.

Few of these children live beyond their twenties. That is, UNTIL NOW! Rapamycin, a safe drug already on the market, has created a low cost, low side effect treatment for these children. Children on Rapamycin have been hospitalization-free since early 2006 and are often off all of their other high side effect medicines. They are, for the first time, leading normal childhood lives. And their lifespan is projected to double or become normal!

Dr. David Teachey cares for patients and does research. "Partnership for Cures found funding partners for me," he says. "Your donors funded my research plan when no one else would. In less than 2 years I started, I had evidence that Rapamycin reduced ALPS in mice and began to use it in my patients who had not responded to any other treatment. My first patient, Luis, has been on Rapamycin over five years now, with excellent results. This is case where a small amount of money made a HUGE impact."

Hear from the family of a child impacted by our research:

*Nicole is our 11 year-old daughter diagnosed with ALPS at the age of 2. The last 9 years have been a roller coaster for Nicole and our family. She spent MANY days and nights in the hospital receiving blood transfusions and having tests done. A lot of the time, the doctors did not know what to do next! Nicole's anxiety and depression were becoming another problem. Nicole tried several different medications with little to no results. Year after year, we watched Nicole's spleen grow to the point of pressure and pain for her. We were told that we needed to possibly remove her spleen. We lived every day wondering if her blood counts were too low. In June 2010, we were fortunate to meet Dr. David Teachey! He suggested we try Rapamycin to help with Nicole's ALPS. This has changed Nicole's life! Her spleen and lymph nodes have practically disappeared (making Nicole less self conscious) and her blood counts are practically NORMAL...something we never saw ever! We are hopeful that one day...we will find a cure for this rare disease...but in the mean time...we are so thankful for rapamycin and what it has done for our little angel!*

This small grant transformed the lives of thousands of children in the US and around the world! It took less than 36 months, using an already existing drug, so no wasted time and money in further drug testing and approval issues! Rapamycin is being tested in other diseases, further leveraging this discovery. And the ROI? The average ALPS patient's medical bills used to exceed \$150,000 per year. On the Rapamycin regimen, no patient has been hospitalized and the cost of medical care has been reduced by over \$100,000 per patient per year!

## **Improving Prostate Cancer Outcomes and Reducing Complications**

Drs. Scott Eggener and Aytakin Oto at the University of Chicago are eradicating prostate cancer in its earlier stages using a laser that heats and kills just the cancer cells. The treatment takes just a few hours, is done under a mild sedation, and because the whole process is done under MRI observation, the system reduces the chances of injuring surrounding tissue to nearly zero! Dr. Oto, the radiologist on the team, talks about why this is so important. "Even with the best surgery or radiation treatment there is a significant chance of injuring the nerves that control continence and potency. And the last inches of colon and the urethra are also very close to the prostate, and can be damaged during surgery or with radiation. When we do the laser heat ablation therapy, the MRI will tell us if the nerves or other tissues are getting too hot, and will automatically turn off the laser and let everything cool down, so there is almost no chance of tissue damage. Then we heat up the laser again until all of the cancer cells in the tumor mass are dead."

Dr. Eggener, the surgeon on the team, tells us about the patient response. "The laser probe is so small that it causes no side effects. It inserts through the skin just like the needle and the tip is positioned in the center of the tumor. When the heat ablation is done, we pull it back out and put on a small "Band-Aid." That is the extent of what happens to the patient. So far every subject we have treated has been back to normal activities the next day with no healing from any incision, no pain and no other permanent side effects. The follow-up tests have shown no evidence of any remaining cancer. We will continue to do follow-up, but the initial results are very promising."

The laser device was originally designed for use on breast cancer and brain cancer. Drs. Oto and Eggener approached Partnership for Cures to see if our funders would be interested in supporting the first repurposing of this device for prostate cancer. We contacted one of our funding groups, the organizers of our Longest Day of Golf, and they agreed to raise the \$50,000 to cover the costs of the clinical trial over the two year period. In less than 9 months after the initial inquiry from Drs. Oto and Eggener, 9 patients were actually being impacted by this promising new treatment, with excellent initial results!

# Restoring Function for MS Patients-Combining Physical Therapy and a Repurposed Device

Partnership for Cures supported groundbreaking research at the University of Wisconsin, Madison that is making a direct impact on patients with Multiple Sclerosis (MS) and traumatic brain injury (TBI). The researchers combine mild electrical stimulation of the tongue, through a portable device called a PoNS, with physical therapy to create new nerve pathways in the brain, or to make current pathways work better. This therapy allows patients to quickly regain balance, movement, vision, and hearing loss, reduce fatigue, and improve sleep, cognitive and mood disorders. MS and TBI patients have entered the two week program unable to walk without the aid of a walker and have left walking on their own, and have retained these improvements!

The electrical tongue stimulation is delivered through a portable device with a rechargeable battery. This PoNS electronic stimulator delivers millions of impulses to the tongue in a typical 20- minute session. Two major nerves in the tongue are connected to the brain stem, a region in the back of the brain that controls a variety of housekeeping functions, such as heart rate, breathing and consciousness. These are things we seldom pay attention to but that we couldn't get along without. This stimulation, when received by the brain stem, in effect branches out and stimulates many parts of the brain, effectively repairing it.

"We're not treating MS; we're recovering the functions damaged by the MS," says Dr. Yuri Danilov, a member of the research team. "We're seeing the ability of the brain to change and repair itself." No one knows exactly how that repair happens. But there are several possible mechanisms.

Retraining the brain is just a part of the healing, explains Dr. Danilov. People in the research study are required to exercise the function that has been impaired WHILE the tongue stimulation is taking place. If the patients exercise balance, balance improves. If they exercise memory and attention, these functions improve. One patients in the study lab lived with MS since 1983. This 47-year-old mother of three struggled with balance. "Closing my eyes and standing was impossible. I would immediately tip over and fall," she says.

During her two weeks at the lab, she exercised twice daily for 20-minutes that mixed balance exercises and walking on a treadmill while the tongue stimulator worked. At the end of that period she could close her eyes for 20 minutes, even longer, without falling over. The first time she did that all by herself, she started crying, because she hadn't done that for so many years.

The PoNS device is repurposed from a similar device that is used to signal patients with balance disorders when they are leaning too far. The repurposing breakthrough happened when one of the UW Madison developed an inner ear problem and could not stand up. He used the signaling device for a couple of hours, and found that the improved balance lasted even when he wasn't using the device. No one had made that discovery before. A few years later the repurposed device is helping patients with MS and TBI right now, and other diseases like stroke and Parkinson's disease are being investigated.

## 2010 Organizational Funding Partners



### **The Longest Day of Golf**

The Longest Day of Golf raises funds to fund cancer research. In 2009 and 2010, they raised enough to fund two prostate cancer projects at the University of Chicago. Since the 1990s the golfers and donors of The Longest day of Golf have provided over \$500,000 in medical research and other funding!



Dr. Denise Faustman and Friends United for Juvenile Diabetes have joined forces again. With a sizable grant from Friends United the Faustman Lab will move forward on translating their previous discoveries in type 1 diabetes into human clinical trials.



The Jasper Against Batten Fund has raised a significant amount of funding to support Rediscovery Research and other research to find treatments for the rare and fatal childhood genetic LINCL-Batten Disease. In 2010, these funds provided support for a clinical trial using a virus to place a functioning gene in the brains of the children with this disease.



The Rockford Illinois Chapter of Partnership for Cures consists of a group of philanthropists and business professionals who understand the need for, and are committed to, funding the research that will get better treatments and cures to patients quickly.

**PARTNERSHIP FOR CURES  
FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED  
JULY 31, 2010 AND 2009**

**PARTNERSHIP FOR CURES**

**JULY 31, 2010 AND 2009**

**C O N T E N T S**

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***RUZICKA & ASSOCIATES, LTD.***

*Certified Public Accountants*

Board of Directors  
Partnership For Cures

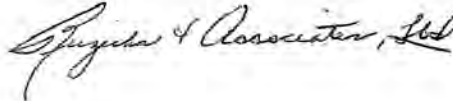
**Independent Auditor's Report**

We have audited the accompanying statement of financial position of Partnership For Cures (an Illinois not-for-profit corporation) at July 31, 2010 and 2009, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of PFC's management. Our responsibility is to express an opinion on these 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 included 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 financial statements referred to above present fairly, in all material respects, the financial position of Partnership For Cures at July 31, 2010 and 2009, 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.

February 22, 2011







## PARTNERSHIP FOR CURES

### NOTES TO THE FINANCIAL STATEMENTS

JULY 31, 2010 AND 2009

#### **1. Nature of organization:**

Partnership For Cures (PFC) was incorporated in October 2005, as an Illinois not-for-profit corporation and commenced operations in December 2005. The mission of PFC is to create partnerships between philanthropists and researchers to facilitate the development of better treatments and cures for patients with disease.

Goldman Philanthropic Partnerships (GPP), a private operating foundation, was founded in 1998 to establish a new philanthropic business model to accelerate the way cures are discovered. In 2005, GPP founded a public charity, PFC, to carry on the mission of GPP.

#### **2. Summary of significant accounting policies:**

##### **Fixed assets**

These assets are carried at cost. Purchases in excess of \$1,000 are capitalized. Depreciation is provided by various methods over the estimated useful lives of the assets (5 years).

##### **Revenue and expense recognition**

Revenue and expenses are recorded on the accrual basis of accounting. All contributions are considered to be available for unrestricted use unless otherwise specifically restricted by donors. Contributions are recorded and recognized as income when notice of award is received. Restricted contributions are recorded as revenue in temporarily restricted net assets if limited by donor imposed stipulations that either expire by passage of time or can be fulfilled and removed by action of PFC or in permanently restricted net assets if such contributions are non-expendable. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

##### **Promises to give**

Contributions are recognized when the donor makes a promise to give to PFC that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

### **Estimates**

The presentation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **Income taxes**

PFC is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

### **Functional allocation of expenses**

The costs of providing program and supporting services have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, costs have been allocated among the programs and supporting services in a direct functional method, when applicable, and on the basis of proportional use of the service provided.

### **Donated services**

Donated services are recognized if the services a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by PFC. Donations of use of facilities are recorded as contributions at their estimated fair value for the period of use.

## **3. Net assets:**

PFC classifies its net assets into three categories:

Unrestricted net assets include all of the unrestricted support and revenue of PFC, all of the expenses of PFC, and transfers from temporarily restricted net assets for reimbursement of expenditures that meet the restrictions of the donors.

Temporarily restricted net assets include all the restricted support and revenue of PFC. Transfers are made from this fund to unrestricted net assets as expenditures are incurred which meet the restrictions of the donors.

Permanently restricted net assets include funds received from donors with the stipulation that they be permanently retained by PFC in perpetuity and that only the income and/or use of the assets are available to PFC. At July 31, 2010 and 2009 there are no permanently restricted net assets.

## **4. Programs:**

### **Culpeper Program**

The Culpeper program established the Charles E. Culpeper Scholarships in Medical Science. It was established in 1988 to nurture the career development of exceptionally promising physician scientists as they transition to become independent researchers at the best academic medical centers.

The Culpeper program has been funded by the Rockefeller Brothers Fund. The scholar awards to individuals are for \$108,000 per year for up to three years. Every year, there are up to three awardees selected by a panel of outstanding medical scientists. \$324,000 of grants were awarded in 2010 and \$324,000 in 2009.

#### Two Years to Cure Initiative

PFC created the Two Years to Cures Initiative (2Y2C), as its hallmark program to bring researchers, funders, and institutions together to produce better treatments and cures, especially through finding new uses for existing drugs and other therapies.

#### Jasper Against Batten Fund

In May 2009, PFC created a new funding partnership to raise funds for research to support a clinical trial for Batten Disease, a fatal nerve disease of infants and children.

#### Lungevity

This project supports lung cancer research.

#### Longest Day of Golf

A group of dedicated golfers have committed to raise funds for prostate cancer research projects.

#### Grant Health

In December 2008, the Grant Healthcare Foundation approved the selection of PFC as their exclusive medical research granting partner for multiple sclerosis research.

#### Inspired Ventures

The Inspired Ventures program brings dedicated donors and PFC staff together with innovative researchers to create research projects that will meet donor's needs. PFC identifies these research proposals that are aligned with each philanthropic investor's interests and leveraged the donor investments through institutional matching requirements. Independent, highly qualified scientists validate and modify the projects to ensure, to every extent possible, that they have the potential to reach their intended outcomes.

#### 5. Concentration of risk:

PFC maintains cash in seven accounts at a major financial institution that cumulatively exceeds federally insured limits. Management believes PFC is not exposed to any significant credit risk on these cash balances.

#### 6. Related party transactions:

GPP made contributions of \$60,000 in 2010 and \$60,000 in 2009. \$38,400 of rent in 2010 and 2009 and \$22,400 of legal services in 2009 were donated by a board member.

7. **Temporarily restricted net assets:**

Temporarily restricted net assets are comprised of the following:

|                         | <u>2010</u>        | <u>2009</u>      |
|-------------------------|--------------------|------------------|
| Jasper Against Batten   | \$694,827          | \$435,237        |
| Lungevity               | 53,515             | 93,435           |
| Longest Day of Golf     | 73,487             | 48,137           |
| Culpeper awards         |                    | (6,248)          |
| MDS                     | 75,520             |                  |
| Diabetes Fund           | 3,490              |                  |
| 2Y2C Initiative program | 55,000             | (35,000)         |
| Dogs For Cures          | 977                |                  |
| MAK Fund                | 1,372              | 1,372            |
| Parkinson's             | 1,650              |                  |
| Myeloma                 | 1,966              | 66               |
| Myrovlytis Trust        | 61                 |                  |
| PIC Fund                | 12                 | 12               |
| MS                      | (19,201)           |                  |
| 41 & 9                  | (85)               |                  |
| Promises to give        | <u>95,738</u>      | <u>208,954</u>   |
|                         | <u>\$1,038,329</u> | <u>\$745,965</u> |

The negative net asset amounts are temporary and will be offset by future fundraising.

Net assets released from donor restriction by incurring expenses satisfying the restricted purposes, by occurrence of other events specified by donors, or the passage of time are as follows:

|                              | <u>2010</u>      | <u>2009</u>         |
|------------------------------|------------------|---------------------|
| Lungevity                    | \$328,771        | \$ 66,615           |
| Jaspens Against Batten       | 114,247          |                     |
| Myrovlytis Trust             | 55,919           |                     |
| Longest Day of Golf          | 44,390           |                     |
| Diabetes Fund                | 35,000           |                     |
| 41 & 9                       | 28,960           |                     |
| MS                           | 27,241           |                     |
| Dogs For Cures               | 233              |                     |
| Culpeper program             |                  | 324,000             |
| FD Now                       |                  | 324,780             |
| MDS                          |                  | 165,500             |
| 2Y2C Initiative              |                  | 85,000              |
| Grant Health                 |                  | 22,500              |
| Circle of Service Technology |                  | 1,793               |
| Other                        |                  | 1,498               |
| Promises to give             | <u>39,133</u>    | <u>86,407</u>       |
|                              | <u>\$673,894</u> | <u>\$ 1,078,093</u> |

**8. Promises to give:**

Promises to give as of July 31 are as follows:

|                      | <u>2010</u>      | <u>2009</u>       |
|----------------------|------------------|-------------------|
| Kaskel family        | \$ 90,000        | \$165,861         |
| Board Member pledges | <u>16,915</u>    | <u>62,096</u>     |
|                      | \$106,915        | \$ 227,957        |
| Less discount        | <u>(11,177)</u>  | <u>(19,003)</u>   |
|                      | <u>\$ 95,738</u> | <u>\$ 208,954</u> |

Promises to give at July 31, 2010 are due as follows:

|      |                   |
|------|-------------------|
| 2011 | \$ 76,915         |
| 2012 | <u>30,000</u>     |
|      | <u>\$ 106,915</u> |

Pledges are discounted at the three month U.S. Treasury Yield rate: 5.10% in 2006, 4.96% in 2007, and 1.70% in 2008.

**10. Income taxes:**

PFC is exempt from federal taxes under section 501(c) (3) of the Internal Revenue Code.

**11. Lease commitment:**

PFC occupies space at the Chicago office of one of its board members. Monthly rent is \$3,200. Rent in the amount of \$38,400 and \$38,400 was donated in 2010 and 2009, respectively.