

ANNUAL REPORT 2014



Rheumatology Research Foundation

Advancing Treatment | Finding Cures





LETTER FROM THE PRESIDENT

For the past 30 years, the Rheumatology Research Foundation has distributed more than 2,500 awards and grants aimed at recruiting the brightest minds into rheumatology, helping them develop successful careers in the field and supporting essential research that will help them better treat their patients.

As president of the Foundation, I have the privilege of leading an organization that shares my passion and dedication to improving the health of people with rheumatic diseases. The Foundation's Board of Directors is committed to making sure each donation is invested directly toward research and training for rheumatology professionals. We take pride in ensuring that every dollar donated is efficiently invested in our programs.

In this annual report, you will find details on the Foundation's funding and how it was distributed. For more in-depth information, you can view the Foundation's 990 form and financial statement.

Thank you to all the donors and volunteers who continue to support the Foundation's efforts to advance treatment and find cures.

DAVID R. KARP, MD, PHD

PRESIDENT, RHEUMATOLOGY RESEARCH FOUNDATION
CHIEF, RHEUMATIC DISEASES DIVISION
UT SOUTHWESTERN MEDICAL CENTER



Dr. Karp with Terry and Leo Wegemer. Terry has been living with rheumatoid arthritis for many years.



INVESTING IN TOMORROW'S CURES:

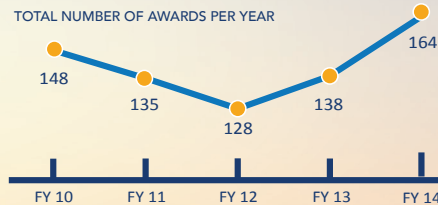
THE RHEUMATOLOGY RESEARCH FOUNDATION MAKING A DIFFERENCE THROUGH RESEARCH AND TRAINING

The Foundation is the largest private funding source of rheumatology research and training in the United States.



Committed Funding for FY2015

Since 1985, the Foundation has committed **\$116M** directly to **RESEARCH** and **TRAINING**



Since 1985, annual funding has grown from

\$500K to **\$13.3M** (2560%)

The Foundation has

\$26.5M in its endowment

2337 total awards

RESEARCH



With a continued decline in other funding sources, the Foundation facilitates vital rheumatology research that leads to improved patient outcomes for people living with rheumatic disease - and ultimately, may lead to a cure.

In the last five years, investigators who have received Foundation funding have:

published **630+** papers

received **\$73M** in additional NIH funding

given **1200** presentations worldwide

The Foundation supports research investigating many rheumatic diseases, including:

- + Rheumatoid Arthritis
- + Systemic Sclerosis
- + Spondylarthropathies
- + Systemic Lupus Erythematosus
- + Scleroderma
- + Juvenile Idiopathic Arthritis
- + Gout
- + Pediatric Systemic Lupus Erythematosus
- + Vasculitis
- + Osteoarthritis



The Foundation funds research across the United States

TRAINING



The Foundation is working to satisfy an ever-growing demand for rheumatologists through education and training support.

Demand for Rheumatologists

is expected to jump 46% by 2025 while the actual number of rheumatologists is expected to only increase by 1.2%.



Citation: ACR's workforce study published in Arthritis & Rheumatism

1x serving more than **240K** CHILDREN

There are more than 240K children for every one board certified pediatric rheumatologist * in the United States.

Citation: <http://bit.ly/1nZ2FGB>

The Foundation provides funding to **help recruit medical and doctoral students into the subspecialty**. The Foundation also supports non-physicians working in the field of rheumatology. Following advanced training throughout the various stages of their careers, rheumatologists and rheumatology health professionals are eligible for continued training awards.



- 1019 Preceptorships
- 287 Annual Meeting Abstract Awards
- 558 Education and Training Awards
- 312 Career Development Research Awards
- 98 Targeted Research
- 63 Lectureships

From 1985 through FY2014.



STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2014 AND 2013

	2014	2013
ASSETS:		
CASH AND CASH EQUIVALENTS	\$ 10,655,761	\$ 14,279,043
INVESTMENTS	\$ 43,525,175	\$ 38,709,309
CONTRIBUTIONS AND GRANTS RECEIVABLE, NET	\$ 20,062,870	\$ 17,688,105
PREPAID EXPENSES AND OTHER ASSETS	\$ 161,877	\$ 24,742
PROPERTY AND EQUIPMENT, LESS ACCUMULATED DEPRECIATION OF \$79,973 AND \$62,600 IN 2014 AND 2013, RESPECTIVELY	\$ 197,686	\$ 215,059
TOTAL ASSETS	\$ 74,603,369	\$ 70,916,258
LIABILITIES:		
ACCOUNTS PAYABLE	\$ 414,934	\$ 374,379
NET ASSETS:		
DONOR RESTRICTED:		
TEMPORARILY RESTRICTED	\$ 35,260,813	\$ 36,842,513
PERMANENTLY RESTRICTED	\$ 3,295,141	\$ 2,305,795
OTHER:		
DESIGNATED BY BOARD FOR EDUCATION AND RESEARCH AWARDS	\$ 31,961,788	\$ 24,412,241
UNRESTRICTED	\$ 3,670,693	\$ 6,981,330
TOTAL NET ASSETS	\$ 74,188,435	\$ 70,541,879
TOTAL LIABILITIES AND NET ASSETS	\$ 74,603,369	\$ 70,916,258



STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	2014	2013
CHANGES IN UNRESTRICTED NET ASSETS:		
REVENUE:		
GIFTS AND GRANTS	\$ 1,665,554	\$ 1,633,843
INVESTMENT AND INTEREST INCOME	\$ 769,387	\$ 774,707
NET REALIZED AND UNREALIZED GAINS ON INVESTMENTS	\$ 3,650,363	\$ 2,194,273
MISCELLANEOUS (LOSS)	—	(\$ 14,216)
NET ASSETS TRANSFERRED FROM TEMPORARILY RESTRICTED	\$ 5,115,243	—
NET ASSETS RELEASED FROM RESTRICTION	\$ 7,354,982	\$ 10,264,939
TOTAL UNRESTRICTED REVENUES	\$ 18,555,529	\$ 14,853,546
EXPENSES:		
PROGRAM SERVICES - RESEARCH AND EDUCATION	\$ 12,374,840	\$ 12,182,322
SUPPORT SERVICES:		
ADMINISTRATIVE	\$ 980,993	\$ 704,994
FUNDRAISING	\$ 960,786	\$ 1,077,339
TOTAL SUPPORT SERVICES	\$ 1,941,779	\$ 1,782,333
TOTAL EXPENSES	\$ 14,316,619	\$ 13,964,655
CHANGE IN UNRESTRICTED NET ASSETS	\$ 4,238,910	\$ 888,891
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:		
GIFTS AND GRANTS	\$ 9,716,757	\$ 11,325,622
INVESTMENT AND INTEREST INCOME	\$ 203,070	\$ 200,521
NET REALIZED AND UNREALIZED GAINS ON INVESTMENTS	\$ 968,698	\$ 567,635
NET ASSETS TRANSFERRED FROM TEMPORARILY RESTRICTED	(\$ 5,115,243)	—
NET ASSETS RELEASED FROM RESTRICTION	(\$ 7,354,982)	(\$ 10,264,939)
MISCELLANEOUS INCOME	—	\$ 14,216
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	(\$ 1,581,700)	\$ 1,843,055
CHANGES IN PERMANENTLY RESTRICTED NET ASSETS:		
GIFTS AND GRANTS	\$ 989,346	—
CHANGE IN PERMANENTLY RESTRICTED NET ASSETS	\$ 989,346	—
CHANGE IN NET ASSETS	\$ 3,646,556	\$ 2,731,946
NET ASSETS AT BEGINNING OF YEAR	\$ 70,541,879	\$ 67,809,933
NET ASSETS AT END OF YEAR	\$ 74,188,435	\$ 70,541,879



CORPORATE ROUNDTABLE

The Rheumatology Research Foundation is making great strides in its mission to advance research and training to improve the health of people with rheumatic diseases. The Foundation is increasing funding for research and training thanks in large part to the generosity of the Corporate Roundtable. Participation in the Corporate Roundtable is a direct investment in the Foundation's efforts to develop the next generation of rheumatology professionals who will provide high quality care for patients, as well as accelerate research that will lead to advances in treatments and, one day, cures.

LEADERSHIP \$7,500,000 +

abbvie

AMGEN®



PRINCIPAL \$2,500,000 +

AstraZeneca



Genentech
A Member of the Roche Group

Janssen
PHARMACEUTICAL COMPANIES
OF Johnson & Johnson

Lilly



PARTNER \$1,000,000 +



Bristol-Myers Squibb

STEWARD \$25,000 +

ANTARES PHARMA

Corporate Roundtable donors July 1, 2013 – June 30, 2014

**Industry Roundtable member as of June 30, 2014*



VOLUNTEERS

The Rheumatology Research Foundation would like to thank the volunteers who gave their time from July 1, 2013 through June 30, 2014 to serve as leaders for the organization.

2013-2014 BOARD OF DIRECTORS

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Vacant, Non-Industry Division Chair

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