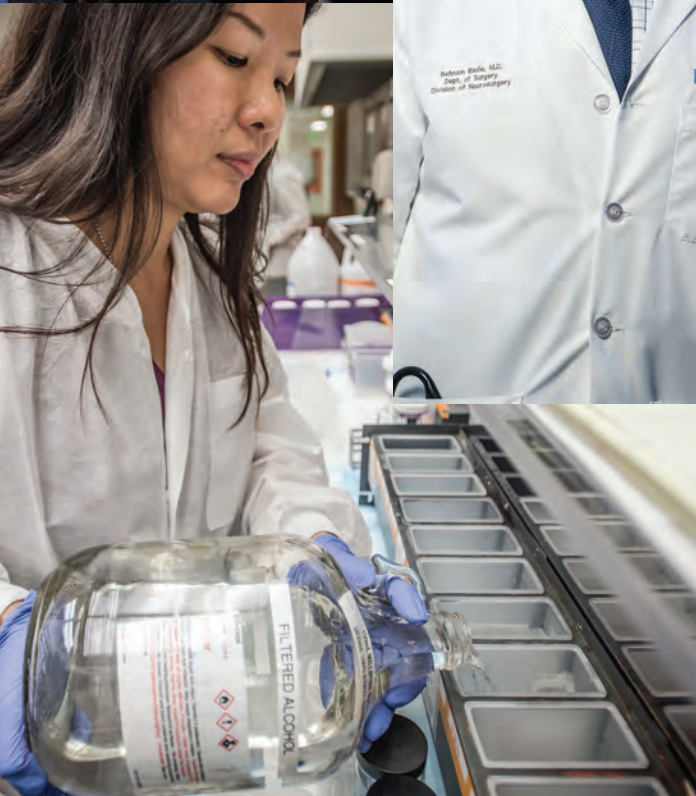
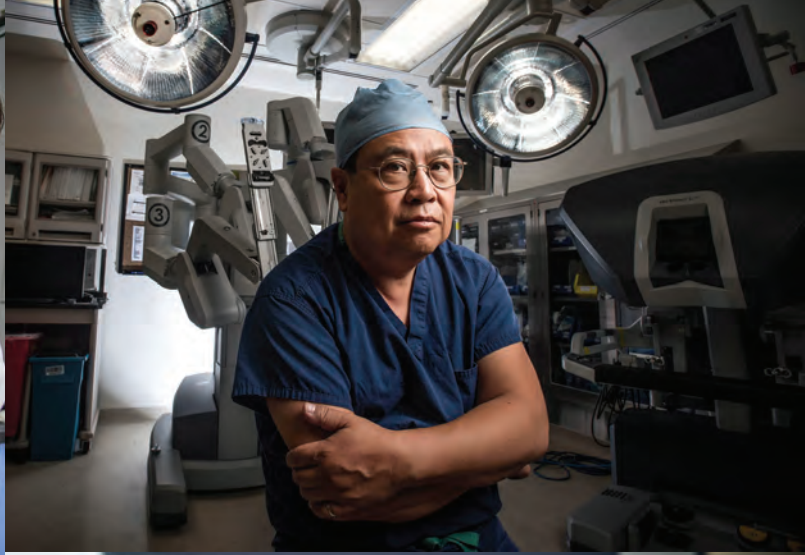


2016 ANNUAL REPORT

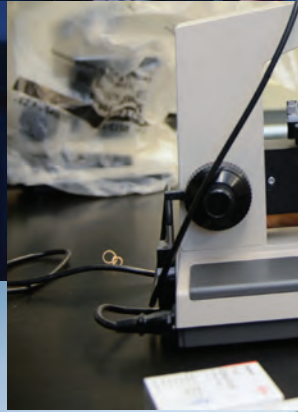












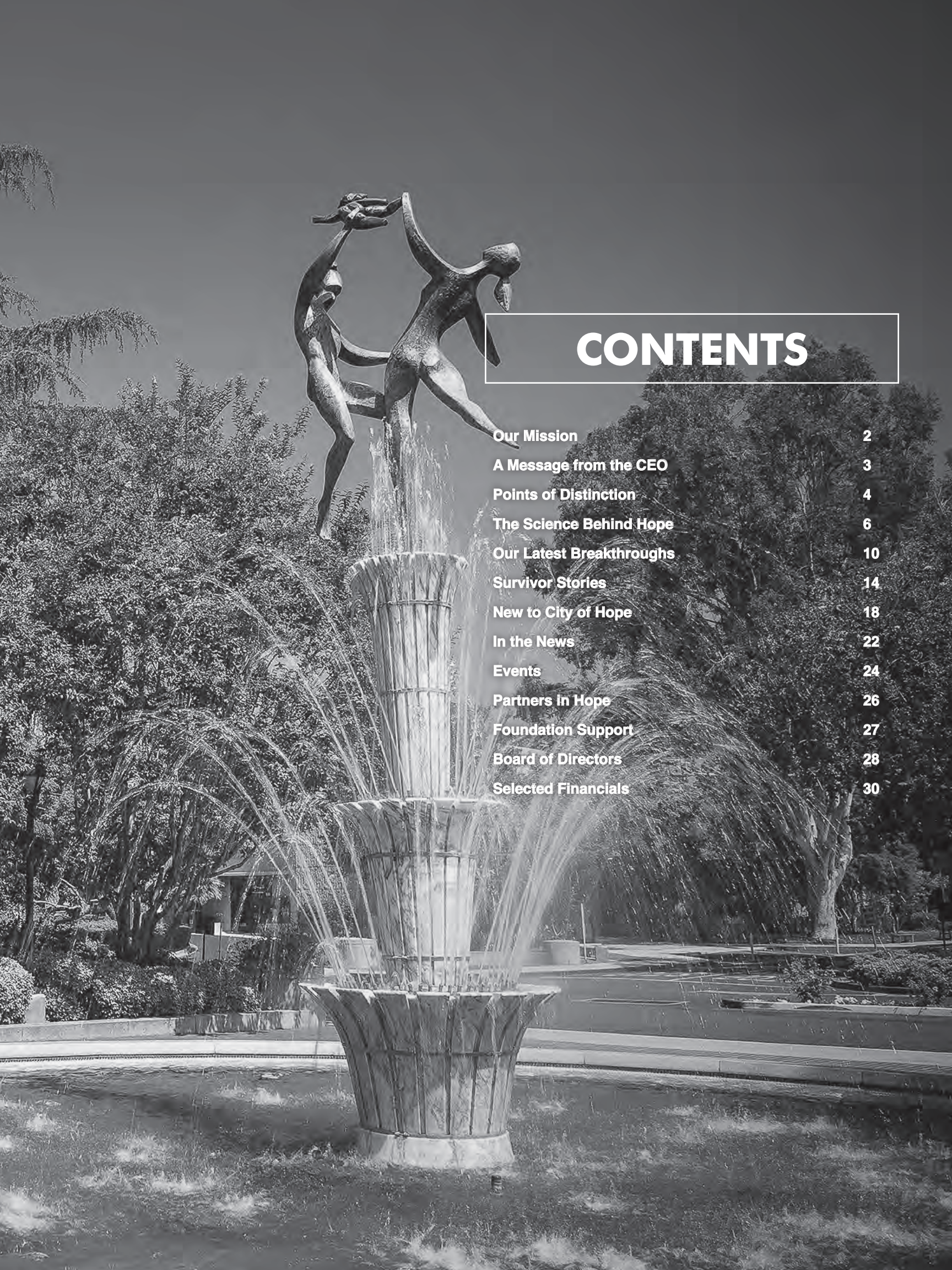












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# OUR MISSION

City of Hope is transforming the future of health. Every day we turn science into practical benefit. We turn hope into reality. We accomplish this through exquisite care, innovative research and vital education focused on eliminating cancer and diabetes.

© CITY OF HOPE 2012





## A MESSAGE FROM THE PRESIDENT AND CEO

City of Hope has always been guided by a philosophy that is compellingly simple and straightforward: Invest in world-class, leading-edge research. Build a powerful, patient-focused bench-to-bedside system that rapidly puts lifesaving treatments in doctors' hands. Heal the body and nourish the soul with uncompromisingly compassionate care.

We stayed true to that philosophy in 2016, and we did much more. We innovated, expanded and forged partnerships with like-minded pioneers. We have carved out an ambitious agenda for the future, and we mean to carry it out.

Take a moment to read about our latest scientific advances. We are testing a revolutionary drug, COH29, which may be a game-changer for patients with ovarian, breast, stomach, pancreatic and lung cancers. We are examining new technologies capable of restoring the compromised immune systems of diabetes patients. We are employing new biomarkers and genomic profiling to match each patient with the most effective treatment.

From laboratory to operating theater to hospital bed, City of Hope's award-winning formula is made real by our gifted people: Leaders like Steven Rosen, Joanne Mortimer, Larry Kwak, Don Diamond and Betty Ferrell. I know you will find their stories as inspiring and energizing as we do.

Everything we do at City of Hope is made possible by the remarkable commitment and generosity of our donors, supporters and volunteers. We take this journey together, and the path forward is brighter than ever.

**ROBERT W. STONE**  
*President and Chief Executive Officer*  
*City of Hope*



# POINTS OF DISTINCTION

\$ 62,423,000

Health Research, Education and Training

\$ 58,362,000

Medical Care Services Benefits

\$ 1,828,000

Benefits for the Broader Community

**\$ 122,613,000**

Total Value of  
Community Benefit  
Investments

With powerful proven leadership in cancer, diabetes and HIV/AIDS, we are targeting some of the most devastating diseases facing humankind.

We have three manufacturing facilities on campus that produce both biologic and chemical compounds, helping us quickly turn breakthrough discoveries into lifesaving therapies.

## INSTITUTIONAL DISTINCTIONS

City of Hope is a founding member of the National Comprehensive Cancer Network, meaning our research and treatment protocols advance care throughout the nation.

City of Hope has earned its eighth consecutive Press Ganey Guardian of Excellence Award.

We are part of ORIEN (Oncology Research Information Exchange Network), the world's largest cancer research collaboration devoted to precision medicine.

City of Hope has earned the highest rating — 4 stars — from the nation's leading watchdog, Charity Navigator. The four-star rating reflects City of Hope's sound fiscal management and financial growth and stability.

We are ranked as one of the nation's "Best Hospitals" in cancer by *U.S. News & World Report*.

Beckman Research Institute of City of Hope was the first of five Beckman Institutes in the United States, which together have fueled scientific advances for more than a generation.





In the 2016 fiscal year, City of Hope was awarded more than \$87.8 million in research grants and received approximately \$333.7 million in revenues from patented technologies.

City of Hope holds more than 300 patents, and submits nearly 30 applications per year to the Food and Drug Administration for investigational new therapies.

City of Hope is one of only 49 comprehensive cancer centers in the nation, as designated by the National Cancer Institute.

Numerous breakthrough cancer drugs, including Herceptin, Erbitux, Rituxan and Avastin, are based on technology pioneered by City of Hope and are saving lives worldwide.

In a given year, City of Hope conducts more than 500 clinical trials, enrolling more than 6,200 patients.

## A RECORD OF INNOVATION

Millions of people with diabetes benefit from synthetic human insulin, developed through research conducted at City of Hope.

Surgeons at City of Hope have performed more than 10,000 robotic procedures for prostate, kidney, colon, liver, bladder, gynecologic, oral and other cancers.

City of Hope is a national leader in islet cell transplantation, which has the potential to reverse type 1 diabetes. In addition, we provide islet cells for research at other institutions throughout the U.S.

City of Hope was a pioneer in bone marrow and stem cell transplants — and our program is now one of the largest, most successful programs of its kind in the U.S. We've performed more than 14,000 bone marrow and stem cell transplants.

City of Hope researchers are investigating ways to harness the body's natural defenses to fight cancer, an approach known as "immunotherapy." One approach strikes a dual blow — shutting off a gene that promotes cancer while stimulating the immune system to act.

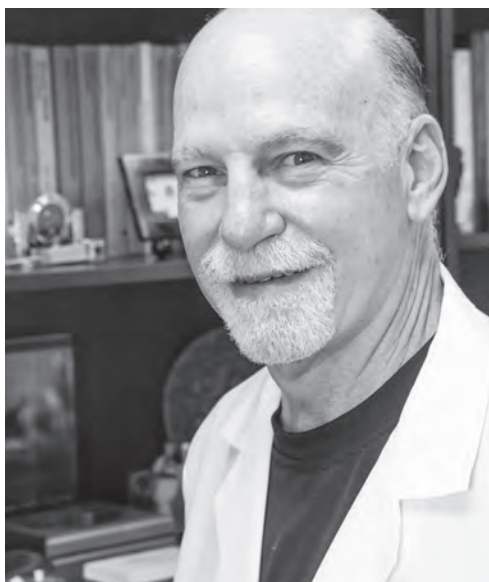




# THE SCIENCE BEHIND HOPE

We are in a race to save lives.  
And we intend to win.





**STEVEN T. ROSEN, M.D.**

Steven T. Rosen, M.D., the Irell and Manella Cancer Center Director's Distinguished Chair, is pioneering long-term strategies offered by City of Hope's Hematologic Malignancies Program to dramatically improve the lives of patients with leukemia, lymphoma, Hodgkin lymphoma and multiple myeloma.

In April, a City of Hope research team led by Rosen, City of Hope's provost and chief scientific officer, was awarded a \$2.3 million Research Project Grant (R01) from the National Cancer Institute to fund studies associated with a phase 1/2 clinical trial in relapsed/refractory adult acute myeloid leukemia (AML).

"At City of Hope, we push the boundaries of science to develop breakthrough therapies for AML and other aggressive cancers," Rosen said. "We're hopeful that successful completion of the study will not only extend or save the lives of those enrolled in the initial trial but also set the stage for continued clinical trials."



**JOANNE MORTIMER, M.D.**

Joanne Mortimer, M.D., the Baum Family Professor in Women's Cancers, is using leading-edge imaging technology to find breast cancer others can't see.

As director of the Women's Cancers Program, Mortimer is working on a new way of identifying which breast cancer patients might respond better to specific treatments. Using a novel positron emission tomography (PET) imaging agent, <sup>64</sup>Cu-DOTA trastuzumab, developed at City of Hope, Mortimer and her colleagues use PET scans to highlight areas of the body with HER2 positive cancer cells. This approach improves therapy by identifying whether a woman should be treated with HER2-specific treatments — as well as where the cancer has spread, information that biopsies from a single site can't provide.

““ At City of Hope, we push the boundaries of science. ””

Steven T. Rosen, M.D.





**LARRY KWAK, M.D., PH.D.**

Larry Kwak, M.D., Ph.D., the Dr. Michael Friedman Professor in Translational Medicine, is creating breakthrough innovations in immunotherapy and other new approaches for treating patients with lymphoma and related diseases.

In June, Kwak was recognized for his achievements when he was awarded the 2016 Ho-Am Prize in Medicine. Widely considered the Nobel Prizes of Korea, this award recognizes people of Korean heritage who have made impressive contributions in clinical and research areas that contributed to the fight against disease.

“The Ho-Am Prize is particularly significant for me as a Korean-American because it represents years of perseverance working towards a lifelong dream of bringing homegrown laboratory discoveries to impact patients worldwide as rapidly as possible,” said Kwak. “There is still much work to be done.”



**DON J. DIAMOND, PH.D.**

Don J. Diamond, Ph.D., chair of the Department of Experimental Therapeutics, is developing new vaccines to combat hematologic malignancies, solid tumors and infectious pathogens such as the herpesvirus, cytomegalovirus (CMV), and HIV.

One such vaccine is Triplex. The goal of Triplex is to lessen the likelihood of patients who receive a donor stem cell transplant developing dangerous symptoms caused by CMV, a virus that can cause severe and life-threatening disease in those with a weakened immune system.

“It is very gratifying that after all of the years of work, we have reached this point where we are in a position to help our patients and others worldwide to have better outcomes from their transplant procedure,” Diamond said. “What is exciting about this vaccine is that it acts as a platform for treatment of many different diseases.”



**BETTY FERRELL, PH.D., R.N.**

2016 was a big year for Betty Ferrell, Ph.D., R.N. In addition to being inducted into the City of Hope Scientific Research Portrait Gallery and becoming the inaugural recipient of the George Washington University Award for Excellence in Inter-professional Spiritual Care, Ferrell was also the lead author of new guidelines on palliative care published in the *Journal of Clinical Oncology*, and was named a “Giant of Science” by the American Cancer Society at its inaugural gala in November.

To top it all off, WebMD named Farrell a 2016 “Health Hero” award winner.

“It has been an amazing year of awards,” Ferrell said. “As I have said at each award presentation, I am a part of a wonderful team of colleagues, and each of these recognizes the amazing work done by all of us in my division at City of Hope, as well as nationally and internationally. The WebMD award was very special for the national recognition provided for nurses and for palliative care as a vital part of health care.”









## **OUR LATEST BREAKTHROUGHS**

City of Hope is dedicated to bringing leading-edge innovations to our patients. Here are a few highlights of the breakthrough science underway.



## **TYPE 1 DIABETES CLINICAL TRIAL**

The Diabetes & Metabolism Research Institute at City of Hope is now providing islet cell transplantation to suitable type 1 diabetes patients. With islet transplantation, patients may begin producing insulin on their own after having healthy islet cells from a donor transplanted. This groundbreaking treatment may help patients live a healthy life without daily insulin injections.

“We are one of only a few islet cell transplant programs in the country,” said Fouad Kandeel, M.D., Ph.D., chair of the Department of Clinical Diabetes, Endocrinology & Metabolism at City of Hope. “This trial, in addition to providing a much needed potential cure for patients with severe type 1 diabetes, will also be vital in opening the door to other major studies to address the medical needs of these patients.”

The goal of the trial is to further evaluate the effectiveness of transplantation as a treatment and possible cure for type 1 diabetes.

## **COH29 CLINICAL TRIAL**

City of Hope and Novonco Therapeutics Inc. announced the initiation of a phase 1, first-in-human clinical trial for a promising anti-cancer drug — COH29 — that will be used to treat patients with solid tumors, including breast, colon, ovarian, pancreatic, stomach and lung cancers. Patients whose disease is treatment-resistant to standard therapies, or for whom no other treatment options exist, are eligible for the trial. City of Hope conducted preclinical studies with the chemotherapy drug, which inhibits activity of an enzyme called ribonucleotide reductase, thus preventing cancer cells from copying themselves and dividing. COH29 was developed and manufactured at City of Hope.

## **DRUG DEVELOPMENT SOFTWARE**

Led by John Burnett, Ph.D., City of Hope researchers helped create a new software tool called AptaTRACE, which could be integral in developing new drugs. This groundbreaking tool will help scientists identify molecules that bind to targets of interest.

## **MUSHROOMS FIGHTING PROSTATE CANCER**

City of Hope scientists uncovered enticing evidence that white button mushrooms have the potential to treat and lower the risk of cancer. Shiuan Chen, Ph.D., the Lester M. and Irene C. Finkelstein Chair in Biology, is particularly dedicated to exploring the potential of compounds in these mushrooms to fight prostate cancer — the most common cancer found in men.

In a recent clinical trial at City of Hope, a powder made of white button mushrooms was found to reduce the levels of prostate specific antigen, or PSA, in prostate cancer patients whose PSA levels had been rising. And, even better, the powder caused no ill effects.

## **BONE MARROW TRANSPLANTS**

For the 11th year in a row, the National Marrow Donor Program recognized City of Hope’s bone marrow transplantation (BMT) program as exceeding outcome expectations for its patients, the only such program in the nation to have done so over this length of time.

The designation also comes at a time when an increasing number of patients with advanced blood cancers are turning to the BMT program for treatment, with City of Hope’s hematopoietic cell transplantations volume in 2015 exceeding 600 patients.





## GENOMIC PROFILING IN LUNG CANCER

A study by Ravi Salgia, M.D., Ph.D., and Siraj M. Ali, M.D., Ph.D., found that a third of nonsmall cell lung cancer (NSCLC) patients believed to have a normal ALK gene based on a conventional lab test actually harbored potential ALK mutations sensitive to crizotinib, a drug effective in treating a subset of NSCLC patients. The study, published in *The Oncologist*, means that, at least in this case, genomic profiling is potentially another way to identify lung cancer patients who might benefit from targeted therapy.

“This seminal article reports that despite previous negative results revealed by standard diagnostic tests, we were able to detect an abnormal genetic marker for ALK,” said Salgia, a lung cancer specialist who holds the Arthur & Rosalie Kaplan Endowed Chair in Medical Oncology at City of Hope. “Our study illustrates that we must be able to identify more appropriate therapeutic biomarkers. Currently, the diagnostics we have in hand are not enough.”

## RE-ENGINEERING STEM CELLS FOR HIV PATIENT

Aaron Kim became the first HIV patient treated as part of a new clinical trial that will determine if a patient’s own genetically engineered bone marrow cells can safely be used to treat HIV. As part of the trial, which was funded by the California Institute for Regenerative Medicine, City of Hope researchers placed RNA (ribonucleic acid) genes that fight HIV in his stem cells and used a lentivirus to change the CCR5 gene to block the virus’ typical infection pathway. Kim’s cells were engineered in additional ways to bolster the ability of his immune system to resist and eradicate the virus.

## BIOMARKERS/BRCA FOR BREAST CANCER

A new study led by Jeffrey Weitzel, M.D., director, Division of Clinical Cancer Genetics, found that for breast cancer patients with BRCA gene mutations, compounds called poly ADP ribose (or PAR) can help determine treatment response and clinical outcomes. The study was presented at the American Society of Clinical Oncology’s annual meeting in Chicago.

PAR is produced by enzymes called PARP, which are also involved in DNA repair and programmed cell death. Cancer cells can also exploit PARP to repair themselves after DNA damage from radiation or chemotherapy. To address this, a new class of drugs called PARP inhibitors has been developed to thwart this self-repair process, which can enhance current cancer therapies or kill the cancer cells outright.







A man with a shaved head, wearing a dark polo shirt, is sitting outdoors. He is looking upwards and to the right with a thoughtful expression. His hands are clasped in his lap. Behind him is a large, thick-trunked tree with dense foliage. The entire scene is overlaid with a semi-transparent blue filter.

## **SURVIVOR STORIES**

City of Hope's research innovations are saving lives around the world. Here, we profile four patients whose stories embody our mission: to deliver science with soul to create miracles.





### DOMINICK FOLBRECHT

When Dominick was first diagnosed with acute lymphoblastic leukemia, he was treated and went into remission, but the cancer returned. At the time, Dominick was admitted to City of Hope but didn't have a family to take care of him. He was referred to Jeanelle Folbrecht, Ph.D., a City of Hope psychologist, for counseling.

"After reviewing his case and talking to those providing care for him, I realized he didn't need a psychologist; he needed a mom," Folbrecht said. The mother of two teenagers had been contemplating adoption for several months but had told herself: "If it's meant to be, it will just fall into our lap ... and then we found out Dominick needed a family."

The Folbrechts considered it "a real miracle" when they then found out that an unrelated donor had been found for Dominick.

In 2015, Dominick received a lifesaving bone marrow transplant from that donor, whom he was able to meet and thank at the Bone Marrow Transplant Reunion in May 2016.



### AMELIA TENA

For Amelia Tena, a Hispanic immigrant living in Southern California, learning that her breast cancer had returned after a brief remission only fortified her resolve to fight, and eventually beat, the disease. Tena's remarkable fight began here at City of Hope.

"I am so grateful for the personalized care I received at City of Hope and for the many resources they offer," said Tena, who has come to know the wide range of services well. Now a nine-year cancer survivor, She is also a City of Hope volunteer, providing much-needed counseling and mentorship to Spanish-speaking patients.

Tena, whose story inspired the Hispanic advertising campaign, is a living testament to how City of Hope's family of doctors and scientists work together to beat cancer and save lives through medical breakthroughs and individualized treatments.

“I am so grateful for the personalized care I received at City of Hope.”

Amelia Tena



## ALEX TUNG

Alex Tung was diagnosed with a rare form of leukemia at age 37. A healthy, happy and active native of Southern California, he was determined to beat cancer.

When the first hospital Tung went to could not offer him the treatments he needed for survival, including a bone marrow transplant, he was referred to City of Hope. He then waited six months for a match, but because of his Chinese heritage, the search proved difficult.

With the help of his doctor, Elizabeth Budde, M.D., Ph.D., assistant professor in the Department of Hematology & Hematopoietic Cell Transplantation, Tung signed up for a clinical trial that used umbilical cord blood for transplantation instead of bone marrow.

“It’s important to look for centers that specialize in both cancer research and treatment, like City of Hope,” said Tung.

Tung is now in remission and his story was the inspiration behind City of Hope’s new Chinese advertising campaign.



## STEVEN BOCHCO

When Emmy-award winning television producer and writer Steven Bochco walked into City of Hope for the first time, he had learned only a few days earlier that he had a rare form of leukemia. He was still reeling — unsure about where he would be treated.

“It’s a bolt out of the blue, and completely unexpected,” said Bochco, 72, about being diagnosed with cancer. “It’s the last thing in the world you expect when you spend your whole adult life basically working out to be healthy.”

He spent 70 days at City of Hope Helford Clinical Research Hospital, which included three rounds of chemotherapy to eradicate cancerous cells and to help prepare his body for a stem cell transplant.

On Oct. 7, 2014, Bochco received stem cells from an unrelated donor and on Oct. 30 he returned home. Within 10 weeks, Bochco was hiking and lifting weights again.

“After my wrestling match with leukemia, I think about life and death differently than before,” he wrote in his latest book, “Truth Is a Total Defense.”

“I treasure life more, and fear death less. Life and its complications are simpler for me, now.”











## **NEW TO CITY OF HOPE**

City of Hope is large enough to attract world-class scientists and clinicians, but small enough to foster meaningful collaboration across disciplines.





#### **RAVI SALGIA, M.D., PH.D.**

Ravi Salgia, M.D., Ph.D., is the Arthur & Rosalie Kaplan Endowed Chair in Medical Oncology and the associate director for clinical sciences in City of Hope's comprehensive cancer center.

Prior to joining City of Hope, Salgia served as tenured professor of medicine, pathology and dermatology; director of the Thoracic Oncology Program and the Aerodigestive Tract Program Translational Research Lab in the section of hematology/oncology; vice chair for translational research in the Department of Medicine; and associate director for translational science at the University of Chicago Comprehensive Cancer Center.

Board-certified in both internal medicine and medical oncology, Salgia earned his undergraduate degree in mathematics, biology and chemistry, and then his medical doctorate and Ph.D. from Loyola University in Chicago. He continued his postgraduate training with an internship and residency in internal medicine at the Johns Hopkins Hospital in Baltimore, followed by a fellowship in medical oncology at Dana-Farber Cancer Institute in Boston, during which time he also served as a clinical fellow at Harvard Medical School.



#### **KEVIN MORRIS, PH.D.**

For more than a decade, Kevin Morris, Ph.D., has been one of the brightest lights in RNA research.

Morris was the first to recognize unique properties of noncoding RNA. He is considered an international leader in the field.

The goal of his work, in his words, is "to understand the role of noncoding RNA in life, evolution and selection," and to use that knowledge to develop novel therapies for AIDS, cancer and other diseases.

As associate director of the Center for Gene Therapy, Morris is focusing on manipulating RNA in a variety of ways to control and repress HIV-1.

Morris has led research laboratories at the renowned Scripps Research Institute in La Jolla, California, as well as the University of New South Wales, Australia. His relationship with City of Hope began in 2004 with researcher and adjunct professor positions at Beckman Research Institute of City of Hope.

“City of Hope embodies the commitment to discovering new treatments for cancer patients.”

Ravi Salgia, M.D., Ph.D.





**ANGELO CARDOSO, M.D., PH.D.**

Angelo Cardoso, M.D., Ph.D., brings two decades of international, groundbreaking leukemia research to his new role at the Center for Gene Therapy.

Cardoso was educated in Portugal, where he received his medical degree. He earned his Ph.D. from the University of Paris, after completing doctoral research work in France, Portugal and here in the U.S. at Harvard’s Dana-Farber Cancer Institute. He spent a decade at Harvard Medical School and Dana-Farber Cancer Institute as an instructor of medicine, then taught medicine and molecular genetics at Indiana University School of Medicine.

Cardoso focuses on the genetic mechanisms of leukemia, especially acute lymphoblastic leukemia (ALL) in children.

At the Center for Gene Therapy, Cardoso is examining, in his words, “molecular crosstalk between leukemia cells and the bone marrow microenvironment” as the disease progresses. One of his goals is to develop “selective inhibitors for high-risk and refractory, relapsed pediatric ALL.”



**NADIA CARLESSO, M.D., PH.D.**

Nadia Carlesso, M.D., Ph.D., joined Beckman Research Institute of City of Hope as a professor in the Department of Hematology & Hematopoietic Cell Transplantation and as associate director of basic research at the Gehr Family Center for Leukemia Research.

Carlesso and her team are leading efforts to identify novel therapeutic approaches simultaneously targeting leukemia cells and the leukemic microenvironment, in particular in relapse and refractory disease, and strategies to improve hematopoietic cell engraftment following transplant.

Carlesso received her M.D. from the University of Torino and her Ph.D. from the University of Genova, both in Italy. She performed her Ph.D. work at Dana-Farber Cancer Institute and received postdoctoral training at Massachusetts General Hospital, Harvard Medical School.

“ I’m interested in the molecular crosstalk between leukemia cells and the bone marrow microenvironment. ”

Angelo Cardoso, M.D., Ph.D.







## Iranian leader feels the heat over economy

'slip-gate' adds to the frustration at the lack of improvement under Hassan Rouhani.

AMIN MOSTAGHIM  
SHASHANK BENGALI

TEHRAN — When a young female Iranian lawmaker named Fatemeh Hosseini was swept into office as part of a pro-reformist wave in February's parliamentary elections, it was supposed to be a signal of change in a country long led by a corrupt and overwhelmingly male

But the substantial influence of Hossaini's family dragged her into the eye of a widening national outcry over public corruption that



**PEOPLE** pass El Mercado. "We're going to try and evolve with the tastes of the times, but at the same time stay true to our identity as an authentic Mexican place," market manager says.

# Market no longer





National coverage of City of Hope in 2016 included a segment on ABC's "Good Morning America" and a feature in People magazine highlighting Jeanelle Folbrecht, Ph.D., on her decision to adopt a patient with leukemia.



# GOOD MORNING AMERICA

## PRESS GANEY

For the seventh year in a row, the industry's leading performance improvement firm gave City of Hope top marks for inpatient care. The Press Ganey Guardian of Excellence Award and the Pinnacle of Excellence Award are based on patients' own feedback.

## NCI GRANT

In January, City of Hope announced that the National Cancer Institute (NCI) awarded more than \$12 million to City of Hope, supporting James Lacey, Ph.D., M.P.H., and the landmark California Teachers Study.

## STEM CELL AGENCY GRANT

In March, a research team led by Yanhong Shi, Ph.D., received a \$7.38 million grant from the California Institute for Regenerative Medicine to develop a novel treatment for Canavan disease.

## MALISSIA R. CLINTON

Malissia R. Clinton, senior vice president, general counsel and secretary of the Aerospace Corporation, joined City of Hope's board of directors in October 2016.

## PROVIDENCE

City of Hope and two Providence Southern California medical centers have announced a partnership to expand access to leading-edge, high-quality cancer care and services within local communities.

## YOUNG INNOVATOR AWARDS

The Young Innovators Fund supports brilliant young scientists who are already taking cancer research in exciting new directions. These exceptional researchers include Christiane Querfeld, M.D., Ph.D., John Burnett, Ph.D., Russell C. Rockne, Ph.D., and Yanzhong (Frankie) Yang, M.D., Ph.D.



## WOMEN'S CENTER OPENING

City of Hope's Women's Center represents a new model for how City of Hope is delivering coordinated care based on the disease being treated. The new location opened in February 2016 on the lower level of the Geri & Richard Brawerman Ambulatory Care Center. The center serves as a central hub for patients to access a full range of health care professionals.



# EVENTS



## BMT REUNION

More than 4,000 people attended City of Hope's 40th annual Bone Marrow Transplant Reunion. At this annual event, patients meet the donors who have given stem cells to save their lives.



## ROSE PARADE

For people who have battled cancer, every new day is a new adventure. No one knows that better than the cancer doctor, nurse researcher and five cancer patients who rode City of Hope's float at the 127th Tournament of Roses Parade.



## WALK FOR HOPE

On Nov. 6, 2016, 10,000 members of our community united in the fight against women's cancers at the 20th anniversary Walk for Hope.



## THE HOPE EXPERIMENT

In September 2016, City of Hope launched The Hope Experiment, a special pop-up educational event designed to inspire young people to study STEM (science, technology, engineering and math). Emmy-nominated actress Mayim Bialik appeared.



## CELEBRITY SOFTBALL

City of Hope's Celebrity Softball Game brings together country music's hottest stars and fans for friendly competition. Players for 2016 included Bret Michaels, Jamie Lynn Spears, Jessie James Decker, Charles Esten, Scotty McCreery and Vince Gill.





Composer Stephan Moccio



Pandora Head of Publishing Adam Parness presents the "Pandora Trendsetter Award."



Elcia Castaldi and UMPG President David Kokakis



L-R: Composer John Debney, singer-songwriter Pharrell Williams and singer Mike Posner



Singer Nicole Scherzinger



Record producer Clive Davis (back row, right) and family

**SONGS OF HOPE**  
Songs of Hope is a unique evening honoring songwriters and composers that includes live music and a silent auction. The 12th annual event honored Pharrell Williams with the Clive Davis Legend in Songwriting award; composer John Debney, whose credits include "The Jungle Book" and "The Passion of the Christ," with the Electronic Arts Composer Award; and Mike Posner with the Trendsetter Award presented by Pandora.



Esther Renzer and Spirit Music Chairman David Renzer



Singer Mike Posner



L-R: Record producer Zach Horowitz, Spirit Music Group Chairman David Renzer, record producer Jimmy Jam, UMPG President Evan Lamberg and Doug Davis, owner of The Davis Firm



## PARTNERS IN HOPE

At City of Hope, we focus our resources where we know they'll make the most impact. Our donors make a demonstrable difference in our future.



**RICHARD MERKIN, M.D.**

To encourage vital scientific research to fast track and develop new therapies to treat patients with cancer, diabetes and other serious diseases, Richard Merkin, M.D., (center) president and CEO of Heritage Provider Network, established two endowed professorships: the Heritage Provider Network Professor in Immunotherapy and the Heritage Provider Network Professor in Gene Therapy. Merkin's generous gift will enable City of Hope to advance promising clinical research programs in both immunology and gene therapy.



**CARLOTTA GLACKIN, PH.D.**

Carlotta Glackin, Ph.D., joined City of Hope in 1993. She currently leads a laboratory studying the role of protein molecules such as TWIST1 — in an effort to develop new and improved therapies. Impacted by cancer, she has generously named City of Hope as a beneficiary in her trust. Glackin has shared that she also wants to focus on preparing the next generation by funding scholarships for graduate students.



**BIRDIE AND BOB FELDMAN**

Birdie and Bob Feldman were looking for a way to reduce their property management burden while helping City of Hope. The charitable remainder trust they established with a gift of real estate will pay them a generous annual income and, after their lifetimes, the remaining trust principal will be available to City of Hope to invest in reducing cancer deaths and the side effects of treatment.





**DEANA AND STEVE CAMPBELL**

Deana and Steve Campbell (center) — and their children, Sterling and Chynna (left) — made a generous donation to City of Hope to establish the Deana and Steve Campbell Chief Clinical Officer’s Distinguished Chair in honor of Alexandra Levine, M.D., M.A.C.P.



**JACK AND SYLVIA CAMIEL**

Following a longstanding history of support for City of Hope dating back to the 1930s, Jack and Sylvia Camiel (center, surrounded by family), both retired teachers, have continued that tradition through their generous support of the Women’s Center. With a goal to accelerate advances in treatment through increased collaboration, the Camiels are supporting several research projects in the area of ovarian cancer research.

**FOUNDATION SUPPORT**

**CITY OF HOPE AND THE ISRAEL CANCER RESEARCH FUND**

City of Hope and the Israel Cancer Research Fund joined forces to establish the Jacki and Bruce Barron Cancer Research Scholars’ Program. The partnership is sponsored by a \$5 million gift from The Harvey L. Miller Family Foundation.

**ARNOLD AND MABEL BECKMAN FOUNDATION**

A gift of \$1,395,000 from the Arnold and Mabel Beckman Foundation will provide support for research efforts at Beckman Research Institute of City of Hope.

**THE MERINGOFF FAMILY FOUNDATION**

The Meringoff Family Foundation awarded City of Hope a gift of \$500,000 to support the clinical development of HER2-specific CAR-T cell therapy for patients with brain metastatic breast cancer.

**THE KENNETH T. AND EILEEN L. NORRIS FOUNDATION**

The Kenneth T. and Eileen L. Norris Foundation awarded a one-year, \$300,000 grant to City of Hope.





City of Hope  
HELFORD CLINICAL RESEARCH HOSPITAL

**BOARD OF  
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## SELECTED FINANCIALS

CITY OF HOPE AND AFFILIATES COMBINED STATEMENTS OF FINANCIAL POSITION SEPTEMBER 30, 2016 AND 2015

amounts in thousands

	2016	2015*
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$121,460	\$133,293
Investments	1,086,796	815,532
Patient accounts receivable, less allowances for uncollectible accounts of \$8,747 in 2016 and \$8,205 in 2015	243,508	206,151
Grants and other receivables	66,323	49,084
Donor restricted unconditional promises to give, net	22,291	18,660
Prepaid and other	32,796	23,512
<b>Total current assets</b>	<b>1,573,174</b>	<b>1,246,232</b>
<b>PROPERTY, PLANT AND EQUIPMENT</b>		
Net of accumulated depreciation of \$733,148 in 2016 and \$642,949 in 2015	722,720	679,305
<b>OTHER ASSETS:</b>		
Investments	357,516	371,440
Board designated investments	715,191	653,354
Bond trust funds	-	-
Donor restricted assets	449,469	391,695
Other assets	47,688	44,085
<b>Total other assets</b>	<b>1,569,864</b>	<b>1,460,574</b>
<b>TOTAL ASSETS</b>	<b>\$3,865,758</b>	<b>\$3,386,111</b>
<b>CURRENT LIABILITIES:</b>	<b>2016</b>	<b>2015*</b>
Accounts payable and accrued liabilities	\$221,560	\$161,574
Long-term debt, current portion	90,571	72,549
<b>Total current liabilities</b>	<b>312,131</b>	<b>234,123</b>
<b>LONG-TERM DEBT, net of current portion</b>	<b>618,303</b>	<b>628,035</b>
<b>ANNUITY AND SPLIT-INTEREST AGREEMENT OBLIGATIONS</b>	<b>17,264</b>	<b>16,846</b>
Other	65,711	57,915
<b>Total liabilities</b>	<b>1,013,409</b>	<b>936,919</b>
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>NET ASSETS:</b>		
Unrestricted	2,395,357	2,054,965
Restricted	456,992	394,227
<b>Total net assets</b>	<b>2,852,349</b>	<b>2,449,192</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$3,865,758</b>	<b>3,386,111</b>

\*Various reclassifications were made to 2015 data to conform to the 2016 presentation of the audited financial statements.



## GROSS CHARGES FOR PATIENT SERVICES

amounts in thousands

	2016	%	2015	%
Medicare	\$1,263,889	34.7%	\$1,027,348	33.7%
Indemnity insurance	25,000	0.7%	19,676	0.6%
Managed care contracts	1,858,612	51.0%	1,569,795	51.5%
Subsidized care	497,147	13.6%	434,247	14.2%
<b>TOTAL</b>	<b>\$3,644,648</b>	<b>100.00%</b>	<b>\$3,051,066</b>	<b>100.00%</b>

### PATIENTS TREATED

	2016	2015
Patients treated during year (Total Organization)	61,461	56,962
Admissions	6,402	6,048
Adjusted patient days	143,317	129,319
Outpatient and Infusion visits	330,742	292,534
Bone marrow transplants	703	617



CITY OF HOPE AND AFFILIATES COMBINED STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED SEPTEMBER 30, 2016 AND 2015

amounts in thousands

	2016	2015
<b>Revenues:</b>		
Net patient service revenues	\$1,119,808	\$1,005,065
Contributions and net special event revenues	131,205	124,685
Royalties and research grants	421,503	362,590
Other	110,534	108,671
<b>Total revenues</b>	<b>1,783,050</b>	<b>1,601,011</b>
<b>Expenses:</b>		
Program services	1,203,831	1,070,613
Supporting services	285,712	262,042
<b>Total expenses</b>	<b>1,489,543</b>	<b>1,332,655</b>
<b>Operating income</b>	<b>293,507</b>	<b>268,356</b>
<b>Change in net unrealized gain on investments</b>	<b>109,650</b>	<b>(136,436)</b>
Change in net assets	403,157	131,920
Net Assets, beginning of year	2,449,192	2,317,272
Net Assets, end of year	\$2,852,349	\$2,449,192

CITY OF HOPE AND AFFILIATES COMBINED STATEMENTS OF CASH FLOW  
FOR THE YEARS ENDED SEPTEMBER 30, 2016 AND 2015

amounts in thousands

	2016	2015*
<b>Cash Flows from Operating Activities:</b>		
<b>Changes in net assets</b>	<b>\$403,157</b>	<b>\$131,920</b>
<b>Adjustments to reconcile changes in net assets to net cash provided by operating activities:</b>		
Depreciation and amortization	95,094	81,609
Net change in operating investments	(233,677)	(25,517)
Other changes in operating assets and liabilities	(65,828)	(50,813)
<b>Total adjustments</b>	<b>(204,411)</b>	<b>5,279</b>
<b>Net cash (used in) provided by operating activities</b>	<b>198,746</b>	<b>137,199</b>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from sales of property, plant and equipment	978	2,322
Additions to property, plant and equipment	(85,812)	(55,355)
Acquisition of other long-term assets	-	-
Change in investments and other	(122,354)	(87,067)
<b>Net cash used in investing activities</b>	<b>(207,188)</b>	<b>(140,100)</b>
<b>Cash Flows from Financing Activities:</b>		
Net cash provided by financing activities	(3,391)	9,587
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(11,833)</b>	<b>6,686</b>
Cash and Cash Equivalents, beginning of year	133,293	126,607
<b>Cash and Cash Equivalents, end of year</b>	<b>\$121,460</b>	<b>\$133,293</b>

\*Various reclassifications were made to 2015 data to conform to the 2016 presentation of the audited financial statements.









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