

2021 Annual Report

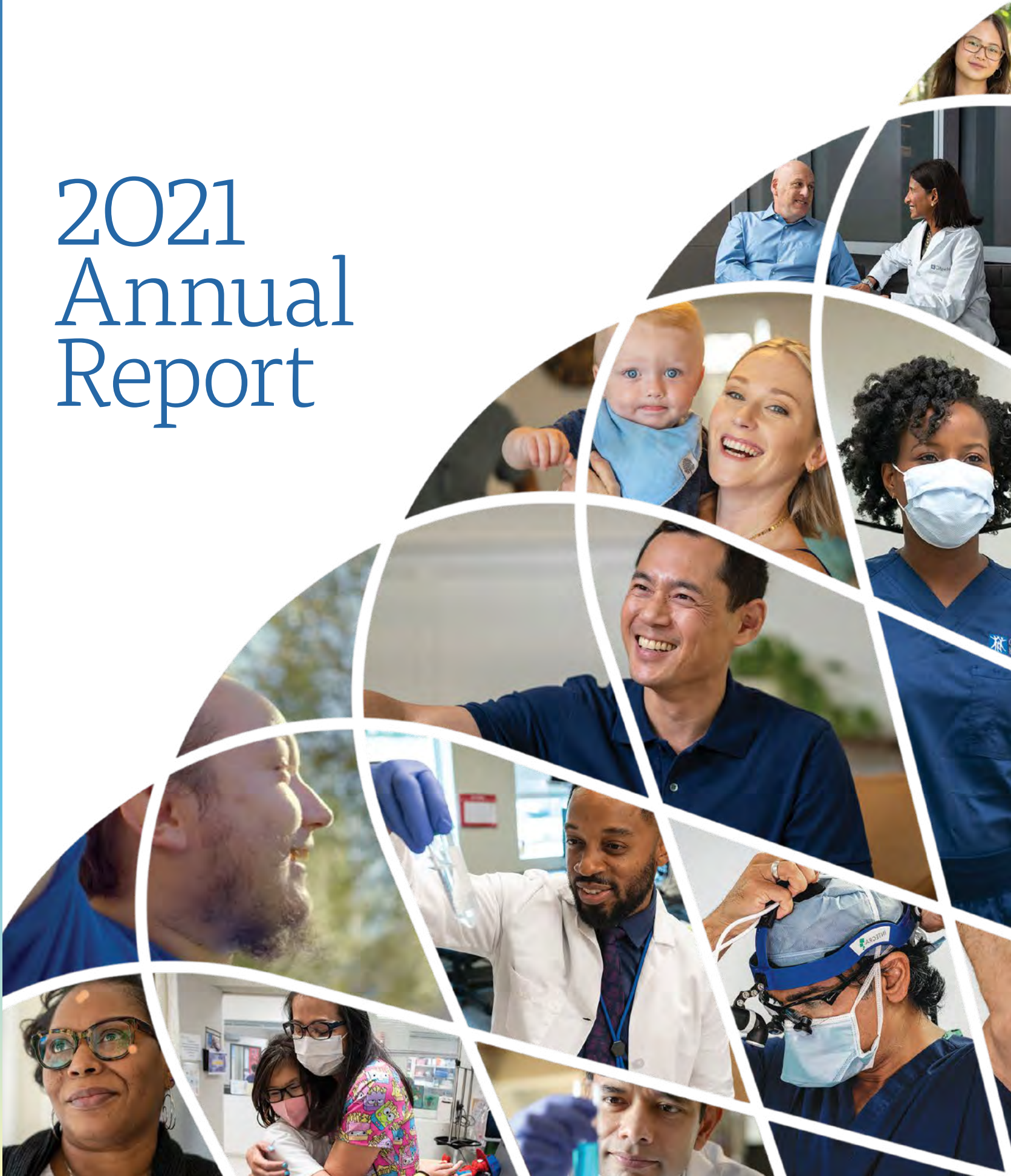


Table of Contents

MESSAGE FROM LEADERSHIP	4
MISSION, VISION AND VALUES	6
POINTS OF DISTINCTION	8
EXPANDING OUR REACH	10
ACCELERATING OUR RESEARCH	12
ADVOCATING FOR OUR PATIENTS	14
VISIONARY COLLABORATIONS	16
TRANSFORMING OUR EMPLOYMENT MODEL	18
NEW HOPE	20
EVENTS	22
NEWS	24
PARTNERS IN HOPE	26
BOARD OF DIRECTORS	29
FINANCIAL REPORT	30

Message From the Chief Executive Officer



Dear Friends,

As I write this, City of Hope is embarking on a remarkable new chapter in our long history of service to patients and their families

— built on the foundation we laid in 2021. From accelerating research into leading-edge treatments, to developing powerful new collaborations and expanding patient access, we continued our evolution as an organization and took powerful steps toward connecting more patients, families and communities with the amazing innovation taking place at City of Hope.

As part of our special role as a comprehensive cancer center, we innovated on a range of scientific fronts. Our researchers made crucial advances in precision medicine, therapeutic vaccines, cell therapies and the development of

cancer-killing viruses. We also expanded the number of City of Hope clinical trials and increased the diversity of trial participants, generating better data to help us develop treatments for the diverse patient populations and communities we serve.

Yet, we know research and innovation efforts alone won't help us realize our mission. A decade ago, we decided that academic cancer centers had an obligation to take their care and research into communities where patients live. Cancer patients' outcomes vary dramatically, including by ZIP code and also by their distance from a National Cancer Institute-designated cancer center. In 2021, we directly confronted that reality and made strong progress toward our vision to democratize cancer care.

That is why we launched AccessHope™, a special subsidiary that helps people across the U.S. — people who have different employers, insurers, health care providers and doctors — access expert opinions

from the nation's leading comprehensive cancer centers. AccessHope removes geographic barriers and connects more people to the subspecialist expertise available at organizations like City of Hope.


This same collaborative mindset drove our advocacy efforts and the creation of the Cancer Care Is Different coalition, a group of like-minded organizations focused on raising awareness of the need to improve cancer care delivery in California. The result of this advocacy was the unanimously passed California Cancer Patients' Bill of Rights by the California State Legislature, a first-in-the-nation resolution laying out what we believe every cancer patient should have a right to, including culturally appropriate care, timely access to specialty care and support for clinical trials.

We also announced our intent to acquire Cancer Treatment Centers of America, dramatically expanding our footprint and establishing one of the largest cancer research and treatment organizations in the country. Together, we are significantly increasing the number of people who can

access high-quality cancer care and the latest lifesaving treatments.

We accomplish all this because of the many people who share this dedication to our mission: our incredibly talented researchers, our compassionate clinical teams, our committed leadership team — and most of all, the generosity of our donors and supporters.

In the pages that follow, you will read more about what is possible when people join together in a unified organization with a shared mission. We are proud of our accomplishments and success, and confident about the organization we have built. We are incredibly grateful for all of you and, on behalf of the patients and families we serve, thank you for being part of City of Hope.



Robert W. Stone

Chief Executive Officer
Helen and Morgan Chu Chief Executive Officer
Distinguished Chair
City of Hope

Our Mission

City of Hope is transforming the future of cancer care. 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.

Our Values

- Compassion
- Service with a sense of urgency
- Integrity
- Intellectual curiosity
- Excellence
- Collaboration

Our Vision

We are at the center of eliminating cancer and diabetes. Through integrated networks of scientific innovation and deeply personalized care, we bring tomorrow's discoveries to the people who need them today.





Points of Distinction

CITY OF HOPE BY THE NUMBERS

30+ Clinical Network Locations

575

Physicians

11,000

Employees

800

Clinical Trials in 2021

115,000

Annual Patients Seen

KEY RECOGNITIONS

- Ranked as one of the nation's top hospitals for cancer by U.S. News & World Report for 16 consecutive years.
- Magnet® recognition from the American Nurses Credentialing Center
- Founding member of the National Comprehensive Cancer Network
- One of only 53 comprehensive cancer centers in the nation, as designated by the National Cancer Institute
- Numerous breakthrough cancer medications, including Herceptin, Erbitux, Rituxan and Avastin, are based on technology pioneered by City of Hope.





 City of Hope

Expanding Our Reach

Groundbreaking research over the last 20 years from City of Hope and other research institutions has led to dramatic declines in cancer deaths. Yet, until we find a cure, patients will continue to drive hours and cross state lines to obtain world-class care from us. City of Hope is building for the future to serve more patients, families and communities. In 2021, we advanced that goal through strategic investments, acquisitions and construction projects.

A MAJOR ADDITION

In December 2021, City of Hope agreed to acquire Cancer Treatment Centers of America, a national and respected network of cancer hospitals and centers. With this partnership, City of Hope is now one of the largest cancer research and treatment organizations in the country, covering a vast geographic area in California and extending to Arizona, Illinois and Georgia. Deploying the collective expertise of 575 physicians, we will serve 115,000 cancer patients a year and further our founding mission of democratizing high-quality medical care.

SEASONED CANCER SPECIALISTS TO HELP MORE PATIENTS

Cancer care pioneer Pacific Shores Medical Group joined City of Hope in August 2021, extending the reach of best-in-class cancer prevention, therapies and management to more communities in Southern California.

Established in 1986, Pacific Shores has one of the most experienced cancer care groups in the country, especially in the areas of oncology/hematology and infusion. Through this partnership, patients can receive compassionate care outside of City of Hope's Los Angeles campus, including in

Glendale, Huntington Beach, Irvine, Newport Beach, Torrance and Long Beach, without losing access to the latest research and therapies available through City of Hope.

EXPANSION OF THE LOS ANGELES CAMPUS

As City of Hope expands hope to a greater number of patients throughout Southern California and the country, we also look to honor our beginnings. In 2021, we made great strides in fulfilling a multiyear, \$1 billion investment in the Los Angeles campus.

By the end of the year, construction was nearly complete on Hope Village, a 150-room patient hotel that provides a serene and private space. The hotel will welcome guests in 2022 with patient-first accommodations, such as easy access to medical teams, a full-service restaurant and on-site laundry facilities. Work also continued on the eight-story Duarte Outpatient Center, which will be the campus' largest ambulatory care building when it opens in 2024.

Both facilities add to an already revitalized Los Angeles campus with a newly completed Outpatient Imaging Center that more than doubled our fleet of imaging technologies. And the recently opened Belardi Family Pavilion serves as a new



and collaborative nerve center for executives and physician-researchers. The Pavilion earned a LEED (Leadership in Energy and Environmental Design) Gold certification in recognition of City of Hope’s sustainable building practices.

BRINGING HOPE TO LIFE IN ORANGE COUNTY

City of Hope’s promise to bring nationally recognized cancer care to Orange County reached important milestones in 2021 thanks to a \$50 million gift from Lennar Foundation and construction of a new cancer center. The 190,000-square-foot City of Hope Orange County Lennar Foundation Cancer Center, which will open in 2022, will offer complete cancer care, from prevention through survivorship, as well as on-site clinical trials.

A hospital exclusively dedicated to treating cancer is on track to serve patients in 2025. The center and hospital at Five Point’s Great Park in Irvine will form a comprehensive cancer campus that represents City of Hope’s \$1 billion commitment to provide Orange County with the finest medical care, pioneering research and innovative treatments.

Although Orange County is a driver of economic growth in Southern California, a hub of life science research and home to 3.2 million residents, the region lacks sufficient resources. In fact, nearly 20% of county residents diagnosed with cancer travel outside the area to meet with oncologists and other specialists. Alongside City of Hope’s facility in Newport Beach and three regional clinical network locations through the Pacific Shores acquisition, the campus manifests City of Hope’s commitment to offering innovative care close to home in Orange County.

Accelerating Our Research

We are focused on developing the next generation of cancer and diabetes discovery, rapidly translating science into the care setting.

TESTING TOMORROW'S HEALTH SOLUTIONS TODAY

City of Hope is a leader in advancing clinical trials in Southern California, with more than 800 clinical trials offered each year, enrolling more than 5,000 patients. And we are keenly focused on increasing diversity in clinical trials, removing barriers to care and making studies accessible to as many patients as possible.

In 2021, clinical research at City of Hope explored a host of innovations, from precision medicine to therapeutic vaccines, cell therapy to cancer-killing viruses, and therapies based on natural products. Targets included breast, prostate, kidney and colorectal cancer, as well as rare sarcomas.

PROGRESS IN CELL THERAPY

For decades, City of Hope researchers have driven progress in CAR T cell therapy, an approach that reprograms patients' own immune cells to find and kill cancer. A number of 2021 studies built upon this leadership, with the aim of defeating intractable brain cancers.

City of Hope received an \$8.4 million grant from the California Institute for Regenerative Medicine to study the use of CAR T cell therapy to treat pediatric brain tumors.

We also attracted a \$3.75 million grant from the National Institute of Neurological Disorders and Stroke to identify how CAR T cells can get to and target glioblastoma.

CAR NK therapy recruits a different type of immune cell, the natural killer cell, to fight cancer. City of Hope researchers reported on early results from a proprietary manufacturing

process for off-the-shelf CAR NK cells. The platform was used to generate a CAR NK cell product that can be evaluated to treat COVID-19.

AN ABIDING LEGACY OF DIABETES BREAKTHROUGHS

In 2021, City of Hope renamed its diabetes research center the Arthur Riggs Diabetes & Metabolism Research Institute, honoring the institute's longtime director and research pioneer Arthur Riggs, Ph.D.

Riggs Institute researchers advanced a new "inverse vaccine" against type 1 diabetes, a project made possible by The Wanek Family Project for Type 1 Diabetes.

City of Hope launched the nation's first research department focused on the intersection of cancer and diabetes, the Department of Diabetes & Cancer Metabolism. A historic gift from Riggs ensures that innovative initiatives, such as this one, will continue to be supported and yield new treatments for the benefit of patients and families.

PREVENTING COVID-19 AMONG CANCER PATIENTS

City of Hope researchers developed a SARS-CoV-2 vaccine candidate. Preclinical studies of the potential COVID-19 vaccine, COH04S1, showed neutralizing antibodies and strong responses from T cells of the immune system.

City of Hope followed up on those promising results with a Phase 1 clinical trial. Successful initial results led to a Phase 2 trial opening in September 2021, evaluating the vaccine's safety and effectiveness in blood cancer patients who have received a blood stem cell transplant or CAR T therapy.



Seid Priceman, Ph.D.
Assistant Professor
Dept. Hematology/HCT

City of Hope

City of Hope

Advocating for Our Patients

City of Hope has championed legislation that protects cancer patients, worked to make clinical trial participation better reflect real-world patient populations and partnered to help more people than ever access our physicians' expertise. Every step strengthens and expands our proven model of enhancing community-based care with vital advances in academic medical science.

OUR COMMITMENT TO ACCESS FOR ALL

City of Hope's Division of Clinical Cancer Genomics began in 2021 to expand its clinical care, physician education and scientific investigations, driven by the vision of expanding genetic testing and counseling for cancer risk. We have a goal of testing every new patient — that includes testing more than 4,000 of them in 2021.

A CALIFORNIA CANCER PATIENTS BILL OF RIGHTS

In February 2021, City of Hope led a coalition of partners in launching the Cancer Care Is Different campaign. This effort to improve cancer care delivery in California raises awareness of how much patients gain from access to specialty care and leading cancer treatment centers.

The coalition is urging the passage of legislation to put appropriate, specialized treatment within reach of all patients, no matter their circumstances. In August, the California state legislature approved the Cancer Patients Bill of Rights. This first-in-the-country resolution details several paramount rights for patients from the moment of their diagnosis.

CLINICAL TRIALS THAT BETTER REFLECT PATIENT POPULATIONS

Three out of four clinical trial participants in the U.S. are white, and participants trend younger than other patients. City of Hope scientists are working to increase representation of Black,

Latinx and Asian people, LGBTQIA+ people and older adults in clinical trials. In one recognition of this transformative effort, Modern Healthcare magazine honored Edward Kim, M.D., M.B.A., physician-in-chief of City of Hope Orange County and vice physician-in-chief of City of Hope National Medical Center, as a "Top 25 Diversity Leader in Healthcare" in 2021, for his long leadership in making clinical trials more inclusive.

City of Hope research on colorectal, prostate and lung cancers — all of which disproportionately affect Black communities — is helping to fill a crucial information void. Our studies of breast cancer tumors in Latina patients are countering the effects of their vast underrepresentation in clinical trials.

PARTNERSHIPS TO SPREAD HOPE

As of 2021, 2.3 million more Americans can rest assured that City of Hope expertise is there for them when they need it. AccessHope™ is a special subsidiary that helps people across the U.S. — people who have different employers, insurers, health care providers and doctors — access the expert opinions of City of Hope specialists.

In 2021, other elite cancer care institutions, such as the Robert H. Lurie Comprehensive Cancer Center of Northwestern University, joined AccessHope. And by working closely with one large, regional health plan, third-party administrators and a consortium of large employers, AccessHope now covers another 6 million members.



Visionary Collaborations

Teamwork at City of Hope is about more than our renowned, multidisciplinary, team-based model for cancer care. That same deeply held commitment to collaboration helps power our researchers' quest to end cancer, diabetes, HIV/AIDS and COVID-19 through partnerships that extend beyond our own campus. We team with other visionary organizations that are dedicated to transforming health care.

TEAMWORK TO MOVE RESEARCH TOWARD PATIENT BENEFIT

In one powerful example, the early success of a City of Hope-developed vaccine platform for SARS-CoV-2 attracted partners at biotech company GeoVax Labs. An exclusive license agreement established in 2021 provides the company with worldwide rights to key patents, expertise and clinical materials related to COH04S1, a synthetic virus that expresses multiple SARS-CoV-2 proteins.

Brain cancer is the target of a collaboration with Mustang Bio, a clinical stage biopharmaceutical company. Together, City of Hope and Mustang launched a clinical trial in 2021 evaluating the safety of MB-101, a CAR T cell immunotherapy for brain tumors.

The immuno-oncology company Imugene joined forces with City of Hope by licensing a combination treatment matching CAR T cell therapy with an engineered, cancer-killing virus to attack solid tumors. The worldwide exclusive license includes patents covering CF33-CD19, known as onCARlytics, a City of Hope-developed agent that tags cancer cells for CAR T cell destruction.

There were several other key partnerships:

- Osel, a company developing live biotherapeutic products for diseases linked to the disruption of

the human microbiome, licensed CBM588, an engineered bacterium that may enhance certain cancer immunotherapies.

- CytImmune Therapeutics, a clinical stage biopharmaceutical company focused on commercializing cancer immunotherapies, licensed technology for generating CAR NK cells.
- Exact Sciences, a leading provider of cancer screening and diagnostic tests known for creating the Cologuard test for colorectal cancer, entered into a research collaboration with City of Hope's Translational Genomics Research Institute in Phoenix. The company acquired a worldwide exclusive license to proprietary TARDIS technology, a highly sensitive and customizable method for detecting trace amounts of tumor DNA in a patient's blood.

IMPROVING CANCER CARE IN SOUTH AMERICA

City of Hope's dedication to expanding access to top-quality cancer care manifested in a new partnership in 2021, connecting our experts with Hospital Israelita Albert Einstein in Brazil, one of Latin America's top hospitals.



Employer of Choice

Delivering exquisite care, conducting innovative research and providing vital education to turn the tide against cancer, diabetes and other life-threatening diseases is a goal that touches countless lives. To accomplish this, City of Hope puts a priority on recruiting and retaining the very best.

DEDICATED TO DIVERSITY, EQUITY AND INCLUSION

City of Hope has built a reputation for expanding diversity, equity and inclusion among those participating in clinical research, and that same focus applies to our own faculty and staff. In 2021, we both deepened this focus and earned accolades for realizing our commitment to those values. In January, we hired our first senior vice president and chief diversity, equity and inclusion officer to provide leadership for integrated efforts to build a diverse and inclusive culture at all levels of our enterprise.

In May 2021, DiversityInc recognized City of Hope as being among the nation's top hospitals and health systems for its diversity, equity and inclusion initiatives. We ranked eighth in the health care group and were the only California medical institution on the list.

SUPPORTING EMPLOYEES THROUGH THE PANDEMIC

Like organizations all over the world, City of Hope had to continue to adapt to the pandemic in ways that changed how our faculty and staff worked. In 2021, that involved cutting COVID-19 risk for our employees and ensuring that they had resources to enable their success, wherever they work.

Work from home employees received helpful, frequently updated guidance on everything from video conferencing and information security to home office setup and ergonomics. Importantly, City of Hope put a spotlight on self-care. Workers were encouraged to take breaks throughout the day, stick to working set hours and devote time to doing things that they enjoy.

City of Hope kept its on-site employees briefed with clear and comprehensive guidance about masks, eye protection, COVID-19 protocols and testing.

In support of faculty and staff who are raising school-age children, City of Hope partnered with Bright Horizons to provide sponsored access to school-day supervision at learning centers nationwide.

ORANGE COUNTY HONORS

Twice in 2021, City of Hope Orange County was recognized for its commitment to its employees, selected in a July readers' poll as one of the Orange County Business Journal's "Best Places to Work," and recognized in December as one of the Orange County Register's "Top Workplaces."



New Hope

LALEH MELSTROM, M.D., M.S.C.I.

Chief of the Division of Surgical Oncology

In October 2021, Laleh Melstrom, M.D., M.S.C.I., was named chief of the Division of Surgical Oncology within the Department of Surgery. Melstrom received her undergraduate degree from Johns Hopkins University and her medical degree from Weill Cornell Medical College. During her surgical residency at Northwestern Memorial Hospital, she completed a Master of Science in Clinical Investigation and a two-year fellowship studying pancreatic cancer at the Robert H. Lurie Comprehensive Cancer Center at Northwestern.

STACY GRAY, M.D.

Chief of the Division of Clinical Cancer Genomics, Department of Medical Oncology & Therapeutics Research

In July 2021, Stacy Gray, M.D., was named chief of the Division of Clinical Cancer Genomics within the Department of Medical Oncology & Therapeutics Research. Gray earned her undergraduate degree from Brown University. She received both her master's degree in public policy and her medical doctorate from University of Chicago. She completed her internal medicine residency and hematology/oncology fellowship at University of Chicago Hospitals.



ERNEST HAN, M.D., PH.D.

Chief of the Division of Gynecologic Oncology,
Department of Surgery

In July 2021, Ernest Han, M.D., Ph.D., was named chief of the Division of Gynecologic Oncology within the Department of Surgery. Han received his medical and doctoral degrees at the University of Texas Medical Branch in Galveston, followed by a residency at Brown University's Women and Infants Hospital and a gynecologic oncology fellowship at University of California Irvine Medical Center.

CRISTIN O'CALLAHAN

General Counsel and Corporate Secretary

In December 2021, it was announced that Cristin O'Callahan would become City of Hope's new general counsel. O'Callahan joined City of Hope in 2005, progressing through roles of increasing responsibility in the Office of General Counsel until her appointment as City of Hope's general counsel and corporate secretary. Prior to City of Hope, she was an associate at Sullivan & Cromwell LLP. She received her law degree from Columbia University School of Law and her B.A. from Williams College.



Community Engagement

Celebrating with — and giving back to — our community is an important part of City of Hope’s mission. Below are a few representative examples of the numerous events we hold on and off campus each year.

REAL TEARS AT VIRTUAL 45TH BMT REUNION

More than a year after his transplant at City of Hope, an 8-year-old cancer patient finally met his bone marrow donor during the virtual 44th Bone Marrow Transplant Reunion on Oct. 16, 2020.



STILL 'WALKING' FOR HOPE

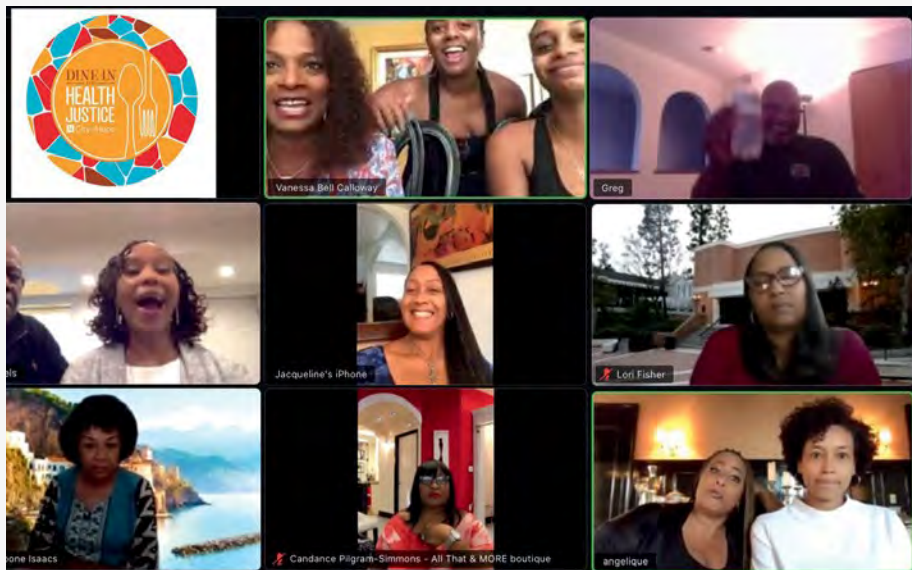
City of Hope staff and supporters united stronger than ever for last year’s annual Walk for Hope, held virtually for the first time. The total amount raised exceeded \$1.3 million.





VACCINATING THE LOCAL COMMUNITY

City of Hope staff volunteered to administer COVID-19 vaccines at drive-thru clinics for local educators and other community members in partnership with the Duarte United School District. Over 4,000 people were vaccinated.



DINING IN FOR HEALTH JUSTICE

City of Hope's Health Justice Council hosted its inaugural Dine In for Health Justice, a month-long virtual event to raise awareness and funds for crucial health care issues facing minority communities.



HHI SPIRIT OF LIFE®

The Hardware/Homebuilding Industry group held a successful virtual *Spirit of Life*® event, which honored Lowe's executive vice president, Bill Boltz (shown below at right), and raised \$2.8 million. With Boltz is Joe McFarland, executive vice president of Lowe's Stores.

News



In January 2021, CNN spoke to William Dale, M.D., Ph.D., Arthur M. Coppola Family Chair in Supportive Care Medicine and director of the Center for Cancer and Aging, about how older adults with chronic illnesses can decide whether to get the newly released COVID-19 vaccine.

That same month, the Los Angeles Business Journal covered diabetes research pioneer Arthur Riggs, Ph.D., and his \$100 million gift to City of Hope. The publication noted that in all, Riggs had donated more than \$300 million to the institution, and that the Diabetes & Metabolism Research Institute would be renamed in his honor.





In March 2021, several publications, including ABC7, shared how City of Hope Orange County unveiled colorful street art throughout the county in order to raise people’s spirits during the pandemic.



In December 2021, Forbes and several other outlets wrote about City of Hope’s acquisition of Cancer Treatment Centers of America, extending its national reach. Forbes noted that the combined organization will serve about 115,000 patients annually.



John Zaia, M.D., Aaron D. Miller and Edith Miller Chair in Gene Therapy and director of the Center for Gene Therapy, commented on the Food and Drug Administration’s authorization of COVID-19 booster shots for the immunocompromised in a story in USA Today in August 2021.

Partners in Hope

SPEED TO CURE FOR BLOOD CANCER

Philanthropy helps move ideas from the lab to patients in the clinic setting more quickly. Two significant gifts to advance blood cancer research are cases in point. A transformative gift by **Susan Nason** will support efforts by Amrita Krishnan, M.D., and team to more precisely target and eradicate multiple myeloma. **Jim Belardi**, himself the recipient of a lifesaving experimental regimen at City of Hope for a rare form of leukemia, has made, with his wife **Leslie Belardi**, the single largest gift ever to hematologic malignancy research at City of Hope. "Any part that we can play in helping to save lives and have more happy endings, we're grateful to do that," said Leslie.

GIVING IS BEAUTIFUL

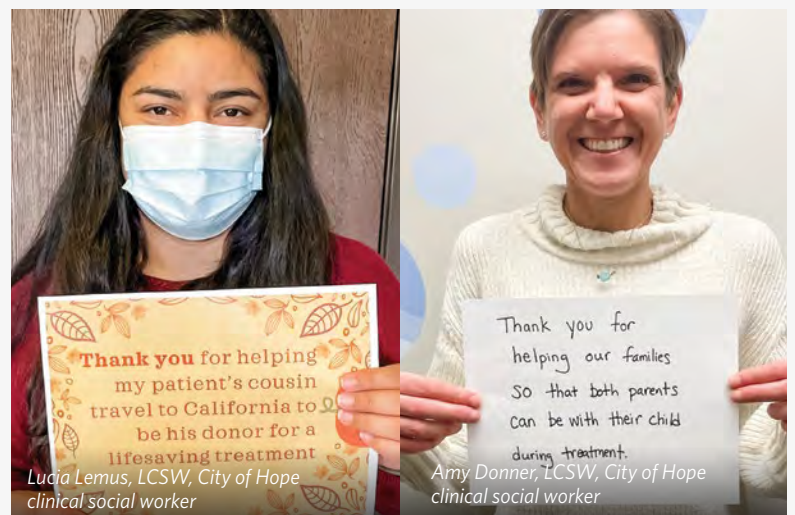
The beauty industry has been a longstanding supporter of City of Hope's mission, and 2021 saw the launch of a successful initiative to engage beauty consumers on social media called **Giving Is Beautiful**. A collective effort by major beauty brands, including Amika, Living Proof, L'Oréal, Sephora, Ulta, Briogeo, Tatcha and more, along with individual beauty professionals and industry volunteers, the campaign brought in more than \$450,000 in support of City of Hope's cancer mission. After a successful launch, campaign partners are excited about the future. Chelsea Riggs, global president at Amika and a leader of the initiative, said, "We know how incredibly philanthropic this industry is and, more importantly, this community, and we wanted to harness that power in a major way."

EASING FINANCIAL BURDENS FOR PATIENTS

When Greg and Jodi Perlman heard about the financial strain on patients created by cancer diagnosis and treatment, they wanted to help. Founders of a direct-gifting platform called **The Change Reaction**, the Perlmans focus their efforts on providing rapid relief to "hardworking people facing critical needs." Through a gift from The Change Reaction, the Angel Fund was established to provide critical support for City of Hope patients who are struggling with unanticipated costs, such as travel expenses, unpaid leave from work and wigs. The Perlmans added, "This team of social workers and nurses at City of Hope are the most compassionate, determined group of people we have ever seen, and this partnership fits right within The Change Reaction's mission."



Leslie and Jim Belardi



Lucia Lemus, LCSW, City of Hope clinical social worker

Amy Donner, LCSW, City of Hope clinical social worker



Arthur Riggs, Ph.D.

ENSURING CONTINUED DIABETES DISCOVERIES

A transformative gift from **Arthur Riggs, Ph.D.**, of \$100 million in 2021 was among the highest in our history, and also brought to light his years of quiet giving to research at City of Hope, totaling more than \$300 million altogether. As he noted at the time of the gift, "I believe in the promise of our work at City of Hope so strongly that one day, probably sooner than most think, we'll create a world without diabetes." Though City of Hope's community mourned the loss of Riggs in 2022, others have come forward to follow his example and support research that now bears his name.

Shannon and Amy Ko made a generous gift in support of the work of clinician and diabetes researcher Ping Wang, M.D. Continued support from the **Wanek family** has yielded a steady stream of innovations and progress toward cures for type 1 diabetes.



Esam Salem, Hui Wen Lo and Ping Wang, M.D.

PINK PATCHES AGAINST BREAST CANCER

Every October, law enforcement officers in Southern California wear pink patches to raise awareness for breast cancer. Beginning in 2015, the Irwindale Police Department began selling their pink patches to the community in support of breast cancer research at City of Hope. Today, the **Pink Patch Project** is spreading across the country and around the world. In their most recent campaign, the L.A. Police Chiefs Association presented City of Hope with a check for \$255,000, bringing the total funds raised to more than \$1.3 million. Culver City Police Lieutenant Eden Robertson, a two-time breast cancer survivor treated at City of Hope, was among them. "I'm here another day to enjoy life, to see my children grow up, to grow old with my husband. I'm here, and I'm going to survive."



Eden Robertson, Culver City Police Lieutenant (left) and law enforcement colleagues present check to City of Hope.

THANK YOU

to our committed supporters and volunteers for helping us achieve our **most successful year ever!**



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SELECTED FINANCIALS

CITY OF HOPE AND AFFILIATES COMBINED STATEMENTS OF FINANCIAL POSITION SEPTEMBER 30, 2021 AND 2020

amounts in thousands

CURRENT ASSETS:	2021	2020
Cash and cash equivalents	\$262,033	\$727,366
Investments	2,166,955	2,032,681
Self-insurance trust funds	3,608	4,367
Patient accounts receivable	313,188	257,368
Grants and other receivables	162,045	156,163
Current portion of donor-restricted unconditional promises to give, net	38,159	47,557
Prepaid and other	74,235	67,263
Total current assets	3,020,223	3,292,765
PROPERTY AND EQUIPMENT, NET	1,412,291	1,149,403
Right-of-use finance lease assets	49,989	56,890
Right-of-use operating lease assets	151,314	109,818
OTHER ASSETS:		
Investments held for long-term purposes	38,750	39,528
Board designated assets	1,229,844	957,138
Bond trust funds	245,730	350,481
With donor restrictions:		
Investments	682,583	572,734
Unconditional promises to give, net	96,328	67,891
Contributions receivable from annuity and split-interest agreements, net	114,662	15,128
Other	9,655	3,477
Intangible assets	10,427	9,548
Goodwill	88,086	47,254
Other long-term assets	69,331	63,233
Total other assets	2,585,396	2,126,412
TOTAL ASSETS	\$7,219,213	\$6,735,288
CURRENT LIABILITIES:		
Accounts payable and other accrued liabilities	\$317,273	\$224,419
Accrued salaries, wages and employee benefits	149,071	161,502
Long-term debt, current portion	6,940	7,240
Right-of-use finance leases, current portion	7,338	7,243
Right-of-use operating leases, current portion	19,480	14,066
Line of credit	—	450,000
Due to third-party payors	12,436	6,143
Contract liabilities	118,817	114,349
Total current liabilities	631,355	984,962
LONG-TERM DEBT, net of current portion	1,295,386	1,300,714
Right-of-use finance leases, net of current portion	50,523	57,375
Right-of-use operating leases, net of current portion	143,704	104,892
ANNUITY AND SPLIT-INTEREST AGREEMENT OBLIGATIONS	27,707	19,849
Interest rate swaps	19,497	30,379
Other	82,341	56,095
Total liabilities	2,250,513	2,554,266
NET ASSETS:		
Without donor restrictions:		
Controlling interests	4,026,274	3,465,438
Noncontrolling interest	29,621	30,584
With donor restrictions	912,805	685,000
Total net assets	4,968,700	4,181,022
TOTAL LIABILITIES AND NET ASSETS	\$7,219,213	\$6,735,288

SELECTED FINANCIALS

CITY OF HOPE AND AFFILIATES COMBINED STATEMENTS OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2021

amounts in thousands

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, GAINS AND OTHER SUPPORT:			
Net patient service revenues	\$1,837,419	—	\$1,837,419
Research grants, contracts and clinical trials	183,467	—	183,467
Contributions	37,461	238,451	275,912
Investment income	258,455	49,659	308,114
Net unrealized loss on investments	389,256	50,880	440,136
Royalty and licensing revenue	114,247	—	114,247
Gain on sale of subsidiary	77,327	—	77,327
Other revenue	101,088	265	101,353
Total revenues, gains, and other support	2,998,720	339,255	3,337,975
Net assets released from restrictions	111,450	(111,450)	—
TOTAL REVENUES, GAINS AND OTHER SUPPORT	3,110,170	227,805	3,337,975
EXPENSES:			
Salaries, wages and employee benefits	1,017,591	—	1,017,591
Purchased services and professional fees	551,259	—	551,259
Supplies and pharmaceuticals	604,431	—	604,431
Royalty sharing	36,606	—	36,606
Interest, including changes in fair value of swap agreements	32,313	—	32,313
Depreciation and amortization	153,399	—	153,399
Hospital provider fee	26,493	—	26,493
Other expense	128,205	—	128,205
TOTAL EXPENSES	2,550,297	—	2,550,297
Excess of revenues, gains and other support over expenses	559,873	227,805	787,678
Changes in net assets	559,873	227,805	787,678
NET ASSETS, BEGINNING OF YEAR	3,496,022	685,000	4,181,022
NET ASSETS, END OF YEAR	4,055,895	912,805	4,968,700

SELECTED FINANCIALS

CITY OF HOPE AND AFFILIATES COMBINED STATEMENTS OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2020

amounts in thousands

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, GAINS AND OTHER SUPPORT:			
Net patient service revenues	\$1,707,268	—	\$1,707,268
Research grants, contracts and clinical trials	170,549	—	170,549
Contributions	47,589	148,811	196,400
Investment income	60,473	11,355	71,828
Net unrealized loss on investments	108,664	10,131	118,795
Royalty and licensing revenue	165,523	—	165,523
Other revenue	87,072	78	87,150
Total revenues and gains	2,347,138	170,375	2,517,513
Net assets released from restrictions	108,250	(108,250)	—
TOTAL REVENUES, GAINS AND OTHER SUPPORT	2,455,388	62,125	2,517,513
EXPENSES:			
Salaries, wages and employee benefits	939,720	—	939,720
Purchased services and professional fees	501,803	—	501,803
Supplies and pharmaceuticals	536,916	—	536,916
Royalty sharing	51,417	—	51,417
Interest, including changes in fair value of swap agreements	52,463	—	52,463
Depreciation and amortization	143,146	—	143,146
Hospital provider fee	31,442	—	31,442
Other expense	98,536	1,591	100,127
TOTAL EXPENSES	2,355,443	1,591	2,357,034
Excess of revenues, gains and other support over expenses	99,945	60,534	160,479
Changes in net assets	99,945	60,534	60,534
NET ASSETS, BEGINNING OF YEAR	3,396,077	624,466	4,020,543
NET ASSETS, END OF YEAR	3,496,022	685,000	4,181,022

SELECTED FINANCIALS

CITY OF HOPE AND AFFILIATES COMBINED STATEMENTS OF CASH FLOW FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

amounts in thousands

	<u>2021</u>	<u>2020</u>
Operating Activities:		
Changes in net assets	787,678	\$160,479
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Depreciation and amortization	146,105	136,880
Amortization of goodwill and other intangibles	7,294	6,266
Amortization of bond cost, discount and premium	(2,990)	(2,988)
Amortization of right-of-use operating lease assets	15,286	11,779
Net unrealized gain on investments	(440,136)	(118,795)
Change in value of interest rate swaps	(10,882)	10,890
Contribution proceeds restricted for endowment	(15,608)	(4,937)
Gain on sale of subsidiary	(77,327)	—
Other	656	112
Changes in assets and liabilities:		
Patient accounts receivable	(55,820)	(21,379)
Grants and other receivables	(7,659)	2,013
Unconditional promises to give, net	(19,039)	(45,412)
Contributions receivable from annuity and split-interest agreements	(99,534)	588
Other assets	(14,894)	(23,450)
Accounts payable and accrued liabilities	51,202	17,489
Accrued salaries, wages and employee benefits	(12,431)	53,669
Annuity and split-interest agreement obligations	7,858	781
Operating lease liabilities	(12,556)	(12,442)
Other liabilities	37,008	70,246
Net cash provided by operating activities before net sales of trading investments	284,211	241,789
Net sales of trading investments	285,756	250,838
Net cash provided by operating activities	569,967	492,627
INVESTING ACTIVITIES:		
Acquisition of community practice sites	(57,102)	—
Proceeds on sale of subsidiary	72,000	—
Proceeds from sale of Exact Sciences common stock from Ashion Analytics sale	12,116	—
Decrease (increase) in notes receivable	690	(1,023)
Additions to property and equipment	(365,879)	(356,715)
Proceeds from sale of contributed real property held for sale	240	—
Net sales of alternative investments	(233,719)	(61,116)
Net cash used in investing activities	(571,654)	(418,854)
FINANCING ACTIVITIES:		
Proceeds from line of credit	\$—	\$498,875
Repayments of line of credit	(450,000)	(48,875)
Proceeds from long-term debt borrowing, net	4,500	2,500
Principal payments on long-term debt	(7,143)	(7,484)
Principal payments on finance leases	(7,363)	(7,934)
Contribution proceeds restricted for endowment	15,608	4,937
Net cash (used in) provided by financing activities	(444,398)	442,019
Net (decrease) increase in cash, cash equivalents, and restricted cash	(446,085)	515,792
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	771,848	256,056
CASH AND CASH EQUIVALENTS, END OF YEAR	325,763	771,848
Supplemental disclosure of cash flow information		
Interest paid during the year (net of capitalized interest)	41,909	41,731
Supplemental disclosure of noncash activity		
Finance lease obligation	610	—
New operating leases	56,782	12,664
Leases recorded upon implementation of ASC 842	—	108,886
Noncash stock received	15,310	—
Additions to property and equipment included in accounts payable and accrued liabilities	76,433	34,781

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