

The S.L.E. Foundation, Inc.
ANNUAL
REPORT
2002

NOW

MORE

THAN

EVER

OUR MISSION

The S.L.E. Foundation has one mission—we are dedicated to serving people with lupus by:

- + Encouraging and supporting lupus research.
- + Providing services for people with lupus and their families.
- + Educating and informing the public about the disease.

Our commitment is unwavering, and now, more than ever, our one overriding goal is to defeat this destructive illness and support those whose lives are devastated by it.

A SERIOUS AND MYSTIFYING DISEASE

Lupus is a baffling, often misdiagnosed and severely underdiagnosed disease. It is more common than AIDS, multiple sclerosis or sickle-cell anemia, and it afflicts more than 1.5 million Americans—90 percent of whom are women. A complex illness, lupus is difficult to diagnose because symptoms vary significantly from patient to patient, and no two cases are alike.

Tragically, many currently available treatments can be toxic and as destructive as the disease itself. And even with treatment, lupus can still be fatal.

An autoimmune disease, lupus causes the body to attack its own healthy organs and tissues, including the kidneys, brain, heart, lungs, skin, joints and blood. The cause of this pernicious illness continues to elude identification, as does a cure.

For unknown reasons, death rates from lupus are on the rise—a horrific trend that must be stopped and reversed. Now, more than ever, The S.L.E. Foundation is driven to uncover the cause, improve treatments and discover a cure for lupus.

LETTER FROM THE EXECUTIVE DIRECTOR

Now more than ever—a theme that aptly reflects both the progress and the challenges facing The S.L.E Foundation.

2002 marks a year in which the Foundation indeed did more than ever—in community outreach, patient services and research in lupus—all of which was made possible by the generosity of our donors and supporters and which culminated in a record-breaking Gala at year's end.

In 2002 we opened our new Lupus Cooperative Center in the South Bronx expanding our grass-roots community outreach to patients and their families in the most disadvantaged areas of New York City.

We doubled the number of families of children with lupus able to participate in a week of respite at Camp Sunshine in Maine.

Our emergency grants to lupus patients in desperate need to pay the rent or buy a warm coat for a brutal winter also doubled in 2002. We remain the only lupus organization caring for the underprivileged lupus population of New York City.

Research efforts expanded more than ever. The Foundation directly funded 20 investigators in the New York region, concentrating on new scientists who bring fresh perspectives to this complex disease. In partnership with the Lupus Research Institute (LRI), we now support more than 40 established and new investigators across America, all in the pursuit of new science for a cure.

But now, we need to do more than ever. In 2002, the Centers for Disease Control reported an appalling rise in deaths from lupus, particularly among women of color.

So now we take up the challenge to do more. We know that research funding and support of new scientists in lupus are more critical than ever, and through the leadership and demonstrated commitment of The S.L.E Foundation, the LRI, and our donors, the lupus community is speaking in an ever stronger voice, demonstrating through increased fundraising, our determination to do more—to fight for a life without lupus.

Margaret G. Dowd
Executive Director



Richard DeScherer with Mistress of Ceremonies Katie Couric



Richard and Jennie DeScherer with Mayor Michael R. Bloomberg



Senator Frank R. Lautenberg and Bonnie Englehardt



Denise Wohl (left) and Jennie DeScherer (right) with Matilda and Mario Cuomo



Gala 2002 honorees Jean and Mike Steinberg



Susan and Morrie Golick



Jerome Chazen with Mayor Michael R. Bloomberg



Carol Weisman and Daniel J. Wallace, MD, recipient of the Distinguished Leadership Award



Arthur and Betsey Selkowitz

OUR SUPPORTERS RALLY AROUND “BREAKING NEW GROUND IN LUPUS RESEARCH”

Distinguished leaders from business, government and the scientific research community braved an unexpected snowstorm to attend the Foundation’s 2002 Gala and raised a record-breaking \$1.7 million for lupus research. Almost 700 tried and true friends and supporters overcame snowdrifts to join honored guest, Mayor Michael R. Bloomberg, Senator Frank R. Lautenberg and former Governor and Mrs. Mario Cuomo to advance lupus research and enjoy an evening of lively entertainment.

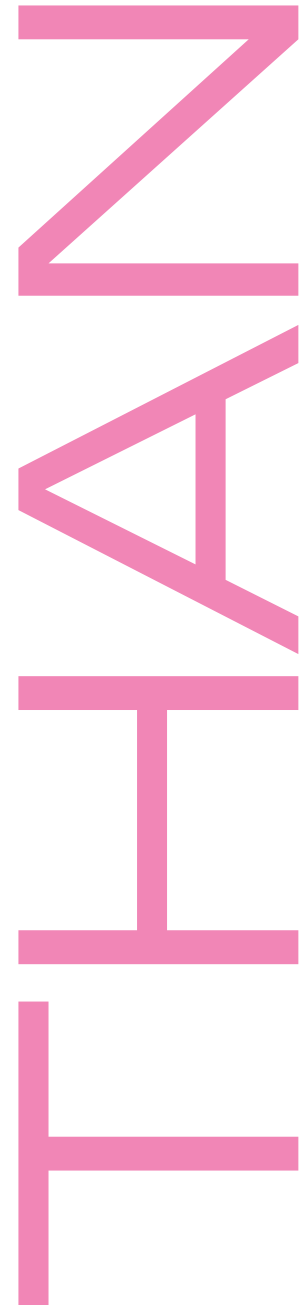
Katie Couric, co-anchor of NBC-TV’s “Today,” served as Mistress of Ceremonies, and the cast of New York City’s new hit musical, “Harlem Song,” by George C. Wolfe, enchanted guests with numbers from the show. Jessye Norman, the renowned soprano and esteemed member of the Foundation’s Board of Directors, was the Gala’s Honorary Chair.

Richard K. DeScherer, President of The S.L.E. Foundation, captured the determination of all in attendance, declaring, “Those of us in this room

are the positive agents of change in conquering lupus. Individually and together, we make possible the research that will reveal the cure.”

Gala honorees Mike and Jean Steinberg were lauded for their exceptional leadership, generous support and enduring commitment to “Life Without Lupus.” Mr. Steinberg said, “When our daughter Carol was diagnosed with lupus, our entire family rallied around the fight to conquer this disease. At that moment we decided that getting involved in the lupus cause was more important than anything else we could be doing.”

That evening, the Foundation also presented its inaugural Distinguished Leadership Award to Daniel J. Wallace, MD, Clinical Professor of Medicine, UCLA School of Medicine, in recognition of his renowned expertise in lupus research and patient care. Dr. Wallace also founded Lupus LA, our west coast arm.



RESEARCH: TODAY'S PROMISE, TOMORROW'S CURE

Now more than ever, the need for answers to the problems of lupus is urgent, and the Foundation is intensifying its research-related efforts. We continue to move forward aggressively to advance research and communicate findings about potential causes of lupus, more exacting diagnostics and effective treatments for the disease.

We engaged the scientific community, government agencies, academicians, physicians and allied health professionals, patients, their families and interested third-parties this year. As a member group of the Lupus Research Institute (LRI)—the national research organization leading the advancement of new science in lupus—and in concert with organizations similarly determined to conquer lupus, we fueled continued progress in research.

Funding research

- + The SLE Foundation and LRI collectively have more than 40 peer-reviewed grants for lupus research at work in the labs of the nation's most celebrated scientists—the greatest number of researchers now supported by a lupus organization.
- + The Foundation continued to support the LRI, funding novel research and projects to accelerate the testing of potential new treatments.
- + We continued to strengthen the pool of scientific talent in labs in the New York metropolitan area by supporting the highly-promising research of new investigators.

Communicating findings

This year, the Foundation sponsored two major scientific conferences:

- + “SLE: Targets for New Therapeutics,” co-sponsored with the LRI and the National Institute of Arthritis and Musculoskeletal and Skin Diseases of the National Institutes of Health (NIH). There, participants discussed clinical strategies to foster the development of new lupus treatments.
- + “SLE Response Criteria,” held with leading lupus scientists from around the world in Dusseldorf, Germany. Participants focused on the lack of standards to evaluate lupus treatments—and developed a draft paper now circulating with the rheumatology community to address that need.

While the Foundation accomplished a great deal in 2002, we are sobered by the challenges still before us. The promise has been made. We will discover a cure and, one day soon, eradicate lupus.



“We have a long-standing, established commitment to advancing the lupus clinical trial agenda. And we’re forging ahead, zeroing in on solutions to break down the barriers to trials and help bring desperately-needed new treatments to lupus patients more rapidly,” said Margaret G. Dowd, President, Lupus Research Institute and Executive Director, The S.L.E. Foundation.

Photo: (Left) Benjamin D. Schwartz, MD, PhD and Robert Ravitz
(Center) Betty Diamond, MD
(Right) Thomas R. Kaplan and Jack Lavery

REACHING OUT TO MAKE A DIFFERENCE

The Foundation strives daily to provide services to patients with lupus and their families and to raise awareness and understanding of lupus among the general public. In New York City and Los Angeles, our activities are making a meaningful difference to lupus sufferers.

The New York City Lupus Cooperative

This year, the Foundation's New York City Lupus Cooperative (NYCLC) expanded its grass-roots community outreach in East Harlem and the Bronx. Our centers:

- + Have brought 650 active cases into our care to date and put information about lupus into the hands of thousands of residents.
- + Co-sponsored, with The New York Academy of Medicine, our third-annual professional education conference for inner-city physicians and allied health professionals, "Lupus: The Critical Role of Primary Care." For the first time, this year's conference was held in the Bronx.
- + Increased attendance at our bi-monthly bilingual support group meetings in both communities.
- + Blanketed business locations with information about lupus with the help of dedicated student interns from Prep for Prep & The Children's Aid Society.



*Lupus LA Leadership reception
attendants: Richard Benjamin, Paula
Prentiss, Carol Weisman, Bernie
Brillstein and Carrie Brillstein*

Lupus LA: West Coast Leadership

Lupus LA continues to lead the drive on the west coast to raise funds for lupus research to support the Lupus Research Institute—and to build leadership for this important cause.

Last fall, Lupus LA members hosted a meet-and-greet for the Lupus LA family and new friends—a dynamic group of prominent members of the LA community—to help raise awareness and support to find a cure for lupus. A new Board of Directors is now in formation.

Exciting events are already well underway with dates set for a spring theater party and west coast gala for lupus research.

Lupus LA is on the move—growing in numbers and determination to conquer lupus.



Speakers at the third Annual Professional Education Conference sponsored by New York City Lupus Cooperative and New York Academy of Medicine



Pedro Santiago (center) with two physicians at the Professional Education Conference



Wendy Hillard (center) with Lela (above right) and Rhythmic Gymnastic teammates



Lela, winner of New York State Championship gymnastic honors



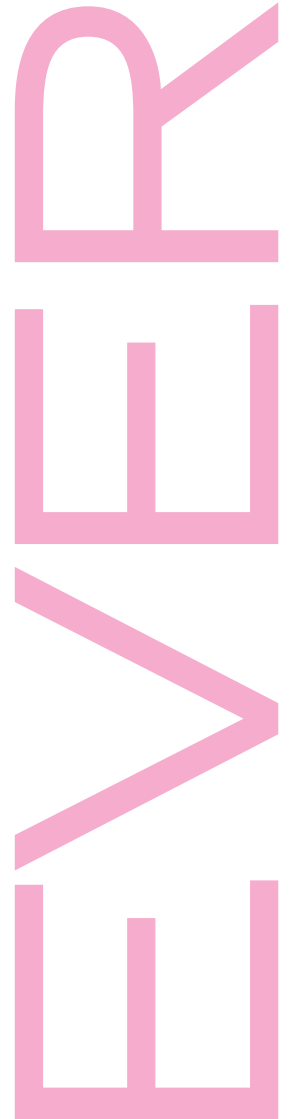
Young people with lupus enjoy boating on Camp Sunshine's Lake Sebago

Spotlight on Patients

We continued our ongoing services to patients, including referrals to lupus specialists, individual and family counseling, lectures and emergency grants. In fact, the need among economically-disadvantaged New York area lupus patients and their families for emergency grants has increased threefold in the past three years. In 2002, The S.L.E. Foundation met that need by providing nearly 80 Lupus Emergency Grants that helped people pay the rent and buy critical lupus medications.

Let Kids Be Kids

In August, the Foundation's Let Kids Be Kids program sponsored the third-annual Lupus Week retreat at Camp Sunshine, in Maine. For five days, 24 New York City families with children suffering from lupus—almost double the number of participants sponsored last year—enjoyed swimming, canoeing, and arts and crafts and shared their experiences with others who cope with the same challenges daily. Thanks to support from the Martin Estrin Foundation and Toys “R” Us, the children and their families attended camp free-of-charge.



FINANCIAL STATEMENT

THE S.L.E. FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION
June 30, 2002

ASSETS

Current Assets:

Cash and cash equivalents	\$305,733
Investments, at fair market value	587,556
Contributions receivable	532,500
Prepaid expenses and miscellaneous receivables	2,857
Fixed assets, at cost, net of accumulated depreciation	17,897
Other assets	11,223

<u>Total Assets</u>	<u>\$1,457,766</u>
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LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable and accrued expenses	\$42,062
Grants payable	287,500
Advance revenues from fundraising benefit	9,425
Due to affiliate	37,645

<u>Total Liabilities</u>	<u>376,632</u>
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COMMITMENTS

Net Assets:

Unrestricted	556,134
Temporarily restricted	525,000

<u>Total net assets</u>	<u>1,081,134</u>
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Total Liabilities and Net Assets	\$1,457,766
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THE S.L.E. FOUNDATION, INC.
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2002

REVENUES

Contributions	\$715,405
Memberships	54,597
Government Grants	107,500
Fundraising events, net of direct expenses of \$321,705	1,394,244
Interest Income	49,826
Net (depreciation) appreciation of Investments	(16,016)
Other income	9,302

<u>Total Revenues</u>	<u>2,314,858</u>
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EXPENSES

Program services:

Medical research, grants and program support	717,261
Public awareness, patient education and support	925,708

<u>Total program services</u>	<u>1,642,969</u>
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Supporting services:

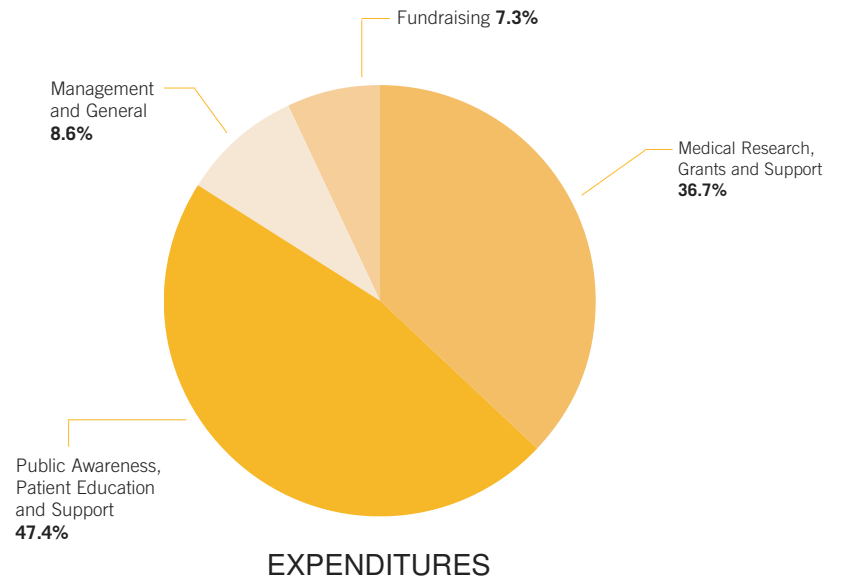
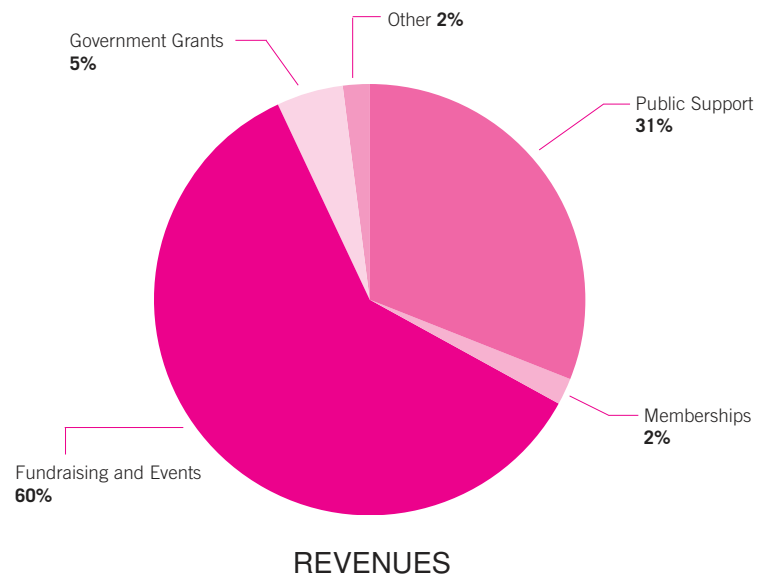
Management and general	168,020
Fundraising	143,306

<u>Total supporting services</u>	<u>311,326</u>
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<u>Total Expenses</u>	<u>1,954,295</u>
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Change in net assets	360,563
Net assets – beginning	720,571

Net assets – end of period	\$1,081,134
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Robert J. Ravitz, Vice President

Irving Wahl, Secretary

Margaret G. Dowd, Executive Director

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