2017 ANNUAL REPORT
JULY 1, 2016-JUNE 30, 2017

RESPIRATORY HEALTH ASSOCIATION®
LUNGCHICAGO.ORG
About Respiratory Health Association

Founded in 1906 as Chicago Tuberculosis Institute, the organization has deep roots in the communities we serve. While championing various initiatives and carrying several different names over the past 111 years, we have always maintained our commitment to healthy lungs and clean air for all.

Respiratory Health Association has been a public health leader in metropolitan Chicago since our founding. Today, we prevent lung disease, promote clean air and help people live better through education, research and policy change.

In pursuit of our mission, RHA is guided by five key principles and values.

**Credibility:** We practice evidence-based community health to achieve our mission.

**Empowerment:** We empower people living with respiratory disease and those who care about them.

**Collaboration:** We create strong working partnerships internally and externally.

**Health Equity:** We believe in a shared vision of health for all.

**Innovation:** We drive practical and visionary solutions to improve health.
WE ACHIEVE SUCCESSES ACROSS OUR MISSION BY ADDRESSING LUNG DISEASE THROUGH ADVOCACY, PROGRAMS AND RESEARCH, AND WE ARE ENCOURAGED TO TAKE ON THE CHALLENGES AHEAD.
Dear Friends:

Thank you for supporting healthy lungs and clean air in 2017. As you will see in the accompanying pages, this was a year of outstanding success in making schools safer for children with asthma, supporting COPD patients and caregivers with educational resources, extending the reach of our smoking cessation programs, and protecting our air through increasing use of renewable energy across Illinois. These are some, but certainly not all, of our triumphs.

As you read this year’s Annual Report, you will have a chance to review our Top 10 Successes of 2017. Each of these successes made a positive impact and improved the lives of the people in the communities we serve. We are proud of our accomplishments in 2017 and look forward to continuing that good work in the future.

At Respiratory Health Association, we serve a broad mission, but our commitment to healthy lungs is at the center of everything we do. We want to help everyone to breathe better by educating people living with lung disease about self-management strategies; by supporting research that advances treatment and understanding of lung disease; and by enacting policies that protect our air and reduce our impact on Earth’s climate.

We could not do this without our supporters, donors, advocates, volunteer leadership and outstanding staff. We hope you take pride in all that has been accomplished through your generous support.

Thank you.

Joel J. Africk  
President

David B. Yelin  
Board Chair
Support from our donors, event participants and mission partners made these and other lung health victories possible in Fiscal Year 2017.
Respiratory Health Association led efforts to pass statewide legislation to improve asthma emergency protocols in schools.

The law (Public Act 099-0843) requires every school district to adopt an emergency response protocol, to request asthma action plans from students with an asthma diagnosis on file, and train school personnel who work with students with asthma. The law also called on the Illinois State Board of Education (ISBE) to develop a model asthma episode emergency response protocol.

RHA was invited to work with the Illinois Department of Public Health and ISBE to support implementation of the new law by developing and delivering an asthma management webinar for Illinois school staff. The training was delivered to more than 1,600 school staff statewide in the first three months and it continues to be accessible on RHA and ISBE websites. RHA was also asked to assist ISBE in drafting the model emergency response protocol.
While much of our work is focused on improving the quality of life for the nearly 600,000 Illinois residents diagnosed and living with COPD, less attention has been paid toward meeting the needs of their families and other informal caregivers.

To address this gap, we worked with people living with COPD, family caregivers, health care providers and design experts from the Illinois Institute of Technology to develop a comprehensive support tool for caregivers of people living with COPD. The COPD Caregiver’s Toolkit combines medical and non-medical information in an easy-to-use format that will help caregivers manage this disease. RHA anticipates the toolkit will both improve caregivers’ knowledge and quality of life, and ultimately improve the health outcomes of persons living with COPD. RHA is currently seeking support to work with researchers to pilot test the toolkit with caregivers, people living with COPD and health care providers to measure the toolkit’s impact on caregivers and COPD patients.
“IN CHICAGO, WE HAVE A SMALL RESEARCH COMMUNITY THAT CAN HAVE A BIG IMPACT ON THE COMMUNITY AT LARGE. RHA'S RESEARCH AWARDS ALLOW LOCAL RESEARCHERS TO SHOWCASE WHAT THE CHICAGOLAND AREA IS ABLE TO DO SCIENTIFICALLY.”

ANNA LAM, M.D.
NORTHWESTERN UNIVERSITY
PAST Awardee
RHA AWARDS GRANTS, CONTINUES RESEARCH IN FIGHT AGAINST LUNG DISEASE

RHA funds investigators to conduct groundbreaking lung disease research at major institutions in the Chicago area. We aim to support local lung disease researchers who are early in their careers to help them build their portfolios and attract national funding.

Each year, RHA supports innovative studies into the causes, mechanisms and treatments of lung diseases. Our researchers develop pilot and feasibility studies for disease investigation, and they develop and test new methodologies and models. To date RHA has awarded 48 grants totaling more than $3 million.

In 2017, RHA awarded research grants in lung cancer and idiopathic pulmonary fibrosis to scientists at the University of Illinois at Chicago and Northwestern Medicine. We also awarded The Solovy Award for Advancement in COPD to Dr. Jerry Krishnan, Professor and Associate Vice Chancellor for Population Health Sciences at the University of Illinois at Chicago. The award was established at RHA by Kathleen Hart Solovy in memory of her husband, Jerold S. Solovy.
Recognizing that tobacco use causes about 45,000 African American deaths each year, the National Urban League identified reducing tobacco use as a priority initiative under its Project Wellness program.

With funding from CVS Health’s Research Foundation, National Urban League launched a 4-year tobacco cessation counseling study with three of its affiliate sites – Atlanta, Philadelphia and Washington DC. National Urban League conducted a national search of smoking cessation programs and selected RHA’s Courage to Quit® adult cessation program. Courage to Quit® is a multi-session program developed specifically for diverse, urban communities and has yielded comparable quit rates among African American and White smokers.

In September 2016, RHA staff traveled to DC to conduct a one-day Courage to Quit Leader Training for the wellness staff from the participating sites. This training prepared the staff to provide our evidence-based Courage to Quit® tobacco cessation program to the populations they serve. In Atlanta, the National Urban League affiliate is delivering the program to public housing residents as the housing authority prepares to go smoke-free. RHA continues to support the program implementation in partnership with the affiliates. This expansion should further reduce smoking rates in urban populations.
“THANKS TO STRONG SUPPORT FROM RESPIRATORY HEALTH ASSOCIATION, THE VILLAGE OF MAYWOOD TRUSTEES KNEW THEIR ACTION WOULD HAVE IMMEDIATE AND LONG-LASTING RESULTS FOR MAYWOOD’S YOUTH.”

LENA HATCHETT
EXECUTIVE LEAD OF PP4H AND ASSISTANT PROFESSOR, LOYOLA UNIVERSITY
In 2017, RHA continued its efforts to advance statewide legislation raising the minimum age to purchase tobacco products from 18 to 21, with the help of our advocacy champions and local public health partners. “Tobacco 21” laws were adopted in Oak Park, Highland Park, Naperville, Deerfield, Maywood and Lincolnshire.

Because 95 percent of adult smokers begin smoking in their teens, we know these laws will help reduce youth smoking rates and, in the long run, the number of adult smokers as well.

Our Tobacco 21 advocacy efforts in Maywood relied heavily on our partnership with Proviso Partners for Health (PP4H).
“ONE THING I LEARNED IN FIGHT ASTHMA NOW© THAT I DID NOT KNOW BEFORE IS ASTHMA IS A LIFELONG ILLNESS. WHEN I FEEL MY WARNING SIGNS, I TAKE MY INHALER.”

FIGHT ASTHMA NOW© STUDENT
In Chicago, there are more than 5,600 emergency department visits each year related to asthma by school-aged children. The majority of those visits are among African American children living in economically disadvantaged communities. RHA targets its asthma education efforts to schools in these communities. In FY 2017 we had a record-setting year.

We provided our school-based Fight Asthma Now® program to nearly 2,000 Chicago area students with asthma. For some of these children, participation in our program is the first time they learn that many of their peers also have asthma and that their asthma can be controlled by trigger avoidance and correct medication use. Our program provides children living with asthma with the information and tools (including a free spacer to use with an asthma inhaler) needed to better manage their condition.

RHA’s companion Asthma Management training was delivered to nearly 4,000 parents, school staff and other caregivers, such as park district staff and childcare providers.
RHA and its allies worked hard to secure passage of sweeping clean energy and climate legislation. The Future Energy Jobs Act will pave the way toward greater use of renewable energy in Illinois and reductions in air pollution from other energy sources.

Among the many benefits of the Act are a dramatic expansion of energy efficiency programs, fixes to the state’s renewable energy laws, the generation of billions of dollars in new investments to develop wind and solar power in Illinois and funding to support training for new energy jobs.

Importantly, The Future Energy Jobs Act will have significant health impacts on Illinoisans. It is estimated that full implementation of the Act will, by 2030, result in nearly 133,000 fewer lost work days, approximately 18,000 fewer asthma attacks, reductions in asthma-related emergency department visits (1,100) and hospital admissions (780), 1,650 fewer heart attacks and the avoidance of up to 2,800 premature deaths.
“VIOLATIONS AT THE EDWARDS COAL PLANT HAVE BEEN GOING ON FOR YEARS, AND THE JUDGE’S DECISION ENSURES THIS DISREGARD FOR OUR CLEAN AIR LAWS WILL NOT CONTINUE.”

JOEL AFRICK
PRESIDENT AND CHIEF EXECUTIVE OFFICER
RESPIRATORY HEALTH ASSOCIATION
With the help of pro bono counsel, we continued successful efforts to reduce coal-fired power plant pollution in Illinois.

In August 2016, RHA and three other plaintiffs prevailed in the liability phase of a lawsuit against the E.D. Edwards plant when a federal judge ruled that the plant near Peoria violated limits on particulate matter emissions from its smoke stacks. People with lung disease are among those hit hardest by such air pollution. Between 2008 and 2013, the plant had violated its permit limits on opacity nearly 3,000 times, prompting a citizen lawsuit under the Clean Air Act on behalf of nearby residents concerned about the air pollution from the plant.
Pulmonary rehabilitation is a great way for a person with COPD to learn how to better manage symptoms. Pulmonary rehabilitation helps control the impact of COPD through exercise, education and support.

Research has shown that people with COPD who attend pulmonary rehabilitation regularly experience a reduction in feeling breathless, a reduction of COPD symptoms and flare-ups, and an improvement in health-related quality of life.

To help support access to pulmonary rehab, RHA coordinated local efforts to help COPD patients, caregivers and respiratory therapists advocate for improved Medicare coverage of pulmonary rehabilitation services for COPD patients. We assisted in the submission of more than 200 advocacy letters to the U.S. Centers for Medicare and Medicaid Services.
In FY 2017, RHA launched Health Professionals for Healthy Lungs (HPHL). HPHL was established to mobilize health care and public health professionals and health professions students who share our commitment to health equity and improving lung health through policy change.

Members sign pledges in support of better clean air, lung disease and tobacco protections at the local, state and national levels; provide in-person and written testimonials to elected officials; submit letters to the editor; and join RHA in legislative visits with elected officials. Among the action areas in which HPHL members will be engaged are the protection of clean car standards and fighting against federal EPA rules that will expand the number of polluting heavy-duty diesel trucks. Locally, attentions will be focused on advocating for statewide Tobacco 21 legislation and fighting the proposed rollback of Illinois coal power plant air pollution rules.
# RHA FINANCIALS

## STATEMENT OF FINANCIAL POSITION

**JUNE 30, 2017 (WITH COMPARATIVE TOTALS FOR 2016)**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$ 1,484</td>
<td>$ 81,071</td>
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<tr>
<td>Investments</td>
<td>1,863,480</td>
<td>2,079,898</td>
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<tr>
<td>Accounts receivable, net</td>
<td>83,403</td>
<td>162,061</td>
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<tr>
<td>Prepaid expenses and deposits</td>
<td>15,540</td>
<td>13,315</td>
</tr>
<tr>
<td>Beneficial interest in irrevocable trust</td>
<td>1,424,997</td>
<td>1,356,752</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>334,713</td>
<td>373,203</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>3,723,617</td>
<td>4,066,300</td>
</tr>
<tr>
<td><strong>Liabilities and Net Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>85,207</td>
<td>117,978</td>
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<tr>
<td>Accrued pension</td>
<td>1,017,842</td>
<td>1,276,414</td>
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<tr>
<td>Advance fees and grants</td>
<td>80,579</td>
<td>159,482</td>
</tr>
<tr>
<td>Line of credit borrowing</td>
<td>-</td>
<td>400,000</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>1,183,628</td>
<td>1,953,874</td>
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<tr>
<td>Net Assets:</td>
<td></td>
<td></td>
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<tr>
<td>Unrestricted</td>
<td>153,768</td>
<td>78,456</td>
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<tr>
<td>Temporarily restricted</td>
<td>621,224</td>
<td>437,218</td>
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<tr>
<td>Permanently restricted</td>
<td>1,764,997</td>
<td>1,596,752</td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td>3,723,617</td>
<td>4,066,300</td>
</tr>
</tbody>
</table>


## RHA FINANCIALS

### STATEMENT OF ACTIVITIES

**YEAR ENDED JUNE 30, 2017 (WITH COMPARATIVE TOTALS FOR 2016)**

<table>
<thead>
<tr>
<th>Public support and revenue</th>
<th>UNRESTRICTED</th>
<th>TEMPORARILY RESTRICTED</th>
<th>PERMANENTLY RESTRICTED</th>
<th>TOTAL</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions and donations:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bequests</td>
<td>$74,400</td>
<td>$</td>
<td>$</td>
<td>$74,400</td>
<td>$2,000</td>
</tr>
<tr>
<td>Individual/major gifts &amp; campaigns</td>
<td>242,488</td>
<td>338,452</td>
<td>100,000</td>
<td><strong>680,940</strong></td>
<td>565,920</td>
</tr>
<tr>
<td>Distributions of investment income from beneficial interest in irrevocable trust</td>
<td>82,648</td>
<td>-</td>
<td>-</td>
<td>82,648</td>
<td>82,648</td>
</tr>
<tr>
<td>Corporate gifts</td>
<td>44,464</td>
<td>-</td>
<td>-</td>
<td>44,464</td>
<td>40,400</td>
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<tr>
<td>Foundation gifts</td>
<td>94,350</td>
<td>-</td>
<td>-</td>
<td>94,350</td>
<td>35,800</td>
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<tr>
<td>Direct Mail</td>
<td>16,561</td>
<td>-</td>
<td>-</td>
<td>16,561</td>
<td>19,904</td>
</tr>
<tr>
<td>Workplace giving</td>
<td>3,858</td>
<td>-</td>
<td>-</td>
<td>3,858</td>
<td>7,262</td>
</tr>
<tr>
<td>Memorials</td>
<td>17,953</td>
<td>-</td>
<td>-</td>
<td>17,953</td>
<td>8,344</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>182,500</td>
<td>(182,500)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Special Events:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special events</td>
<td>1,447,541</td>
<td>-</td>
<td>-</td>
<td>1,447,541</td>
<td>1,554,596</td>
</tr>
<tr>
<td>Special events direct expenses</td>
<td>(630,783)</td>
<td>-</td>
<td>-</td>
<td>(630,783)</td>
<td>(768,068)</td>
</tr>
<tr>
<td>Revenue:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government grants</td>
<td>389,455</td>
<td>-</td>
<td>-</td>
<td>389,455</td>
<td>593,972</td>
</tr>
<tr>
<td>Foundation grants</td>
<td>97,857</td>
<td>-</td>
<td>-</td>
<td>97,857</td>
<td>227,683</td>
</tr>
<tr>
<td>Corporate grants</td>
<td>132,137</td>
<td>-</td>
<td>-</td>
<td>132,137</td>
<td>57,210</td>
</tr>
<tr>
<td>Rental income</td>
<td>200,723</td>
<td>-</td>
<td>-</td>
<td>200,723</td>
<td>194,450</td>
</tr>
<tr>
<td>Program fees and revenue</td>
<td>34,351</td>
<td>-</td>
<td>-</td>
<td>34,351</td>
<td>30,979</td>
</tr>
<tr>
<td>Other revenue</td>
<td>47,063</td>
<td>-</td>
<td>-</td>
<td>47,063</td>
<td>43,337</td>
</tr>
<tr>
<td>Interest and dividends</td>
<td>39,044</td>
<td>-</td>
<td>-</td>
<td>39,044</td>
<td>36,468</td>
</tr>
<tr>
<td>Total public support and revenue</td>
<td>2,516,610</td>
<td>155,952</td>
<td>100,000</td>
<td><strong>2,772,562</strong></td>
<td>2,732,905</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services</td>
<td>2,286,383</td>
<td>-</td>
<td>-</td>
<td>2,286,383</td>
<td>2,210,032</td>
</tr>
<tr>
<td>Supporting services</td>
<td>567,805</td>
<td>-</td>
<td>-</td>
<td>567,805</td>
<td>549,260</td>
</tr>
<tr>
<td>Decrease (increase) in net assets from operations</td>
<td>(337,578)</td>
<td>155,952</td>
<td>100,000</td>
<td><strong>(81,626)</strong></td>
<td>(26,387)</td>
</tr>
</tbody>
</table>
## RHA FINANCIALS

### STATEMENT OF ACTIVITIES

**YEAR ENDED JUNE 30, 2017 (WITH COMPARATIVE TOTALS FOR 2016)**

(CONTINUED)

<table>
<thead>
<tr>
<th>Nonoperating activities:</th>
<th>UNRESTRICTED</th>
<th>TEMPORARILY RESTRICTED</th>
<th>PERMANENTLY RESTRICTED</th>
<th>TOTAL</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net realized gain on investments</td>
<td>$54,366</td>
<td>$ -</td>
<td>$ -</td>
<td>$54,366</td>
<td>$35,991</td>
</tr>
<tr>
<td>Net increase (decrease) in unrealized gain on investments</td>
<td>99,952</td>
<td>28,054</td>
<td>-</td>
<td><strong>128,006</strong></td>
<td>(93,485)</td>
</tr>
<tr>
<td>Increase (decrease) in value of beneficial interest in irrevocable trust</td>
<td>-</td>
<td>-</td>
<td>68,245</td>
<td><strong>68,245</strong></td>
<td>(134,093)</td>
</tr>
<tr>
<td>Adjustment to pension liability</td>
<td>258,572</td>
<td>-</td>
<td>-</td>
<td><strong>258,572</strong></td>
<td>(277,237)</td>
</tr>
<tr>
<td><strong>Total</strong> Nonoperating activities</td>
<td>412,890</td>
<td>28,054</td>
<td>68,245</td>
<td><strong>509,189</strong></td>
<td>(468,824)</td>
</tr>
</tbody>
</table>

### Increase (decrease) in net assets

<table>
<thead>
<tr>
<th>2017</th>
<th>UNRESTRICTED</th>
<th>TEMPORARILY RESTRICTED</th>
<th>PERMANENTLY RESTRICTED</th>
<th>TOTAL</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase (decrease) in net assets</td>
<td>75,312</td>
<td>184,006</td>
<td>168,245</td>
<td><strong>427,563</strong></td>
<td>(495,211)</td>
</tr>
</tbody>
</table>

### Net Assets:

<table>
<thead>
<tr>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning of year</td>
<td>78,456</td>
</tr>
<tr>
<td>End of year</td>
<td>$153,768</td>
</tr>
</tbody>
</table>
Total expenses $2,854

based on Statement of Functional Expenses for FY2017 (In thousands)
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AND CLEAN AIR FOR ALL

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