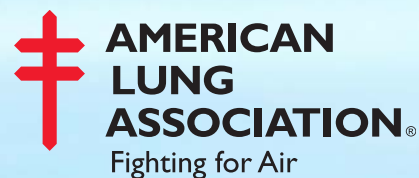


# JOIN US IN THE FIGHT FOR AIR.

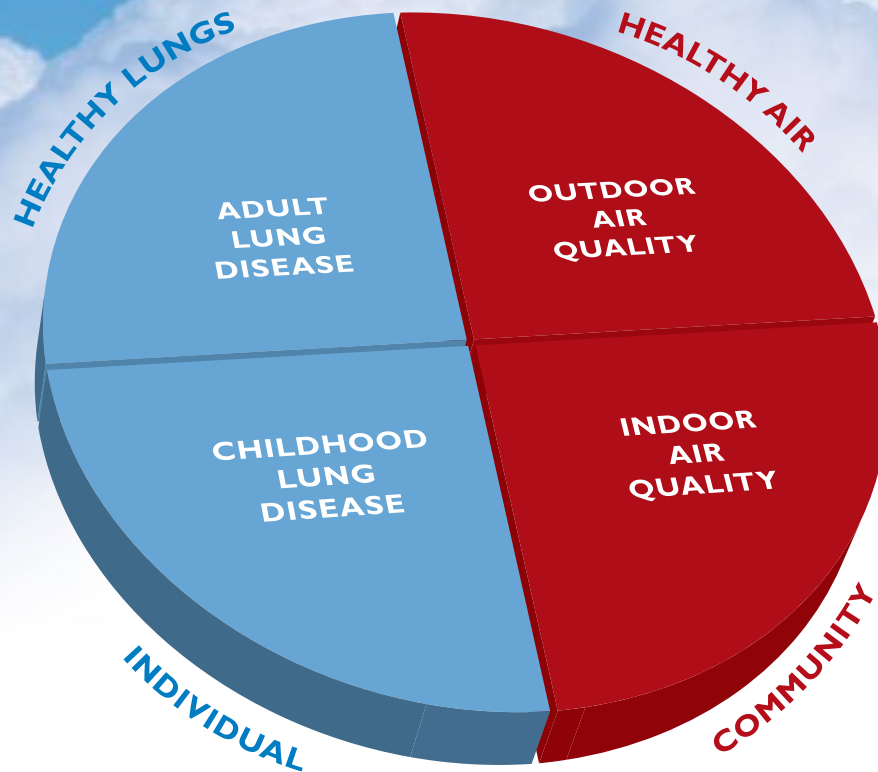
2010 Annual Report



American Lung Association of the Midland States  
Kentucky Michigan Ohio Tennessee

# Our Mission:

To save lives by improving lung health and preventing lung disease.



# Our Creed

We will breathe easier when the air in every American community is clean and healthy.

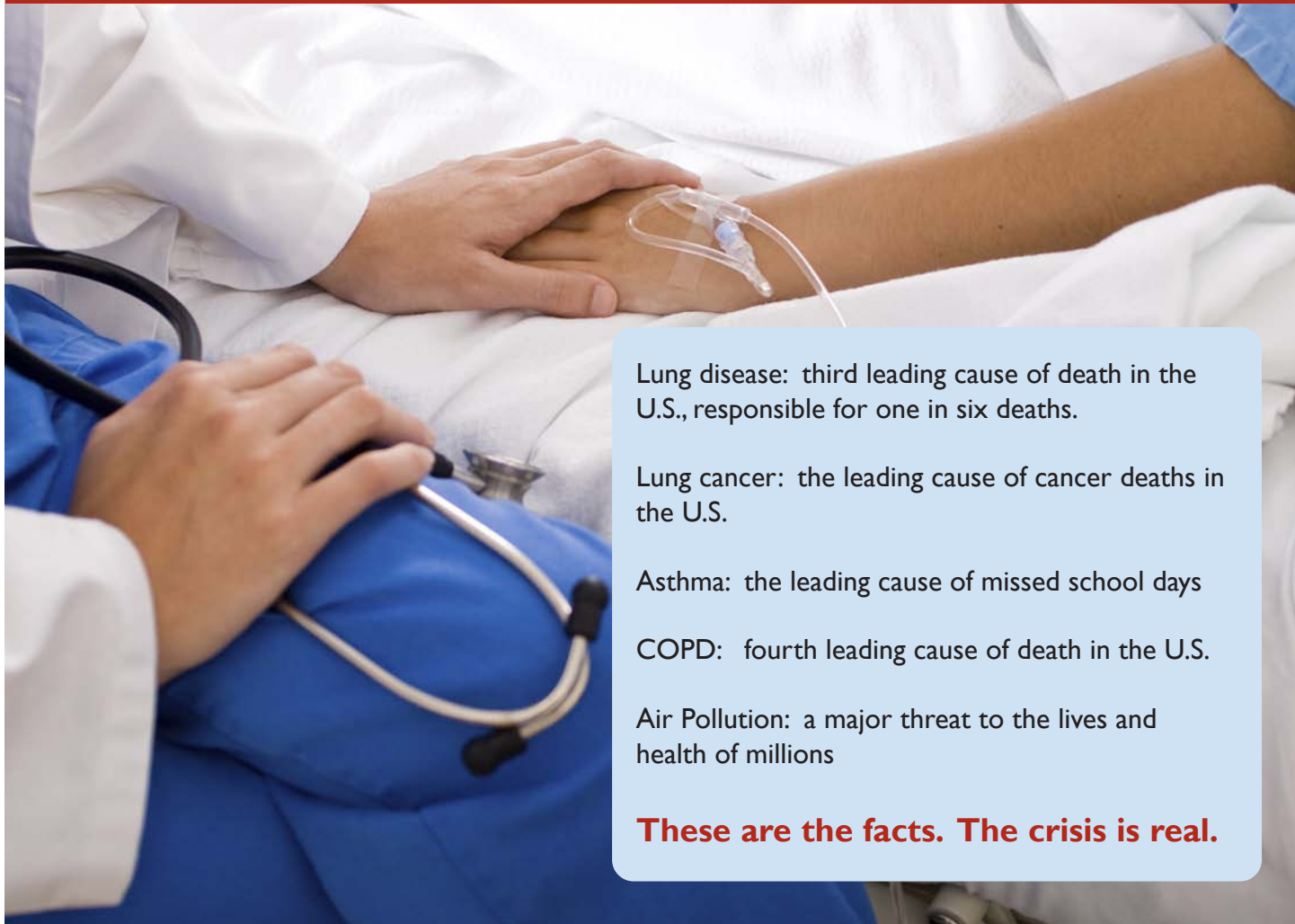
We will breathe easier when people are free from the addictive grip of tobacco and the debilitating effects of lung disease.

We will breathe easier when the air in our public spaces and workplaces is clean of secondhand smoke.

We will breathe easier when children no longer battle airborne poisons or fear an asthma attack.

**Until then, we are fighting for air.**

# The Lung Health Crisis



Lung disease: third leading cause of death in the U.S., responsible for one in six deaths.

Lung cancer: the leading cause of cancer deaths in the U.S.

Asthma: the leading cause of missed school days

COPD: fourth leading cause of death in the U.S.

Air Pollution: a major threat to the lives and health of millions

**These are the facts. The crisis is real.**

## How You Can Help

Volunteer spirit and charitable contributions have shaped our past and will help determine our future as we carry out our vision for a world free of lung disease.

### **Volunteer**

We count on volunteers at all levels of our organization to become involved, engaged and impassioned by our mission. You can advocate for our cause or help at an event in your state or community. You can find many ways to volunteer at the American Lung Association.

### **Contribute**

Here are some of the many ways you can support the fight for air:

- Team or individual participation in a special event
- Annual and ongoing contributions
- Matching gifts from your employer
- Planned giving — join the Emily Bissell Heritage Society
- Memorial/Tribute/Expressive Gifts
- Corporate partnerships and foundation initiatives

# Victories in the Fight for Air

## Mission Services

- Assisted 2,300 people who sought help to quit smoking through our Freedom From Smoking Online program and Freedom From Smoking group clinics; trained 64 new facilitators to lead Freedom From Smoking group programs
- Achieved asthma plan goals by providing updates in asthma care standards to 99 medical professionals at Asthma Educator Institute workshops; taught 2,655 school personnel asthma care basics via Asthma 123 trainings; provided asthma management skills for adults via Breathe Well-Live Well program
- Supported 31 Better Breathers Club support groups for adults affected by chronic lung disease
- Conducted 25 trainings for Counting on You — CAARE Project
- Served 2,916 people through our free medically-staffed Lung Help Line for advice and resources
- Funded medical research at a total level of \$505,000 (\$232,500 from Midland States for the Asthma Clinical Research Centers; \$272,500 from American Lung Association national)



## Advocacy

- Saw successful passage of Michigan's Smoke-Free Air Bill
- Worked with partners in Kentucky to secure state funding for smoking cessation assistance for Medicaid recipients (\$3 million over two years, with \$7 million federal match)
- Made progress toward a "Smoke-free Kentucky" with 4 additional cities adopting smoke-free legislation, increasing total of smoke-free cities statewide to 27
- Successfully defended the strong Smoke Free Ohio law from weakening amendments; hosted Ohio tobacco lobby day with press conference that attracted 200 people
- Grew e-advocacy corps to 6,463 volunteers



## Volunteerism and Community Outreach

- Developed regional volunteer plan; added three new Regional Leadership Councils and recruited 230 new volunteers
- Initiated new O2 Societies in Columbus and Louisville with focus on recruiting and engaging young professionals
- Implemented new Midland States website with improved customer service features and content management capabilities
- Launched revitalized national Christmas Seals campaign with Nashville selected as pilot site
- Generated extensive media coverage and public awareness for *State of the Air* and *State of Tobacco Control* national signature reports and new national branding campaign



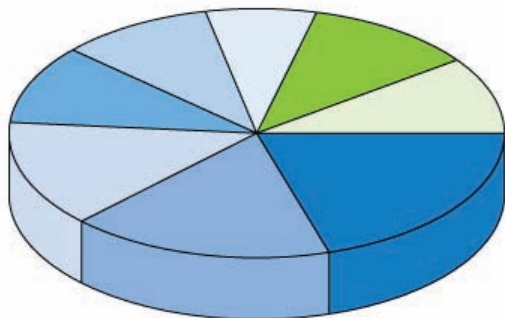
# Financials

STATEMENT OF FINANCIAL POSITION		
AS OF JUNE 30, 2010 AND 2009		
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>	2010	2009
Cash and cash equivalents	\$ 170,847	\$ 90,606
Accounts receivable	170,585	270,360
Prepaid expenses and other assets	55,133	52,755
Due from restrictions	41,404	65,977
Total Current Assets	437,969	479,698
INVESTMENTS	1,804,584	2,210,056
INTEREST IN NET ASSETS HELD BY OTHERS	103,893	100,425
BENEFICIAL INTEREST IN CHARITABLE FOUNDATION TRUSTS	1,050,912	985,365
BENEFICIAL INTEREST IN GIFT ANNUITIES	90,282	—
PROPERTY AND EQUIPMENT, NET	1,166,239	1,227,813
Total Assets	\$ 4,653,879	\$ 5,003,357
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Current portion of long-term debt	\$ 12,607	—
Current portion of capital lease obligation	19,264	17,246
Line of credit	375,000	650,000
Accounts payable	284,760	1,099,852
Accrued expenses	142,318	222,115
Defined benefit plan liability—Midland States	424,936	326,813
Due to restrictions	41,404	65,977
Deferred revenue	138,065	189,721
Total current liabilities	1,438,354	2,571,724
LONG-TERM DEBT	477,524	—
CAPITAL LEASE OBLIGATION	92,036	111,301
GIFT ANNUITY OBLIGATIONS	131,388	—
POSTRETIREMENT BENEFITS OBLIGATION	—	17,755
Total Liabilities	2,139,302	2,700,780
Net Assets	2,514,577	2,302,577
Total Liabilities And Net Assets	\$ 4,653,879	\$ 5,003,357

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS			
FOR THE YEARS ENDED JUNE 30, 2010 AND 2009			
<b>REVENUE</b>		2010	2009
Public	Direct mail	\$ 3,731,926	\$ 3,978,043
	Special events*	1,005,334	882,230
	Promotions	215,050	318,711
	Total public support	4,952,310	5,178,984
Contributions	Bequests and memorials	1,235,119	1,054,289
	Workplace giving	330,560	278,215
	Individual gifts	103,421	104,203
	Corporate gifts	37,321	58,126
	Foundation gifts	90,911	91,489
	In-kind contributions	154,090	170,341
Total contributions	1,951,422	1,756,663	
Other Revenue	Grants**	537,499	1,274,342
	Program service fees	88,357	126,156
	Interest and dividends	56,488	85,878
	Miscellaneous	42,857	17,043
	Total other revenue	725,201	1,503,419
Total revenue	7,628,933	8,439,066	
<b>EXPENSES</b>			
Program services	Research	\$ 744,476	\$ 2,070,078
	Tobacco control	1,562,521	1,421,313
	Other lung disease	1,256,613	1,127,298
	Asthma	1,034,672	1,209,808
	Environmental health	789,597	1,009,098
	Community health services	616,885	645,883
	6,004,764	7,483,478	
General and administration		732,864	985,259
Fundraising		865,671	1,133,840
	1,598,535	2,119,099	
Total expenses		7,603,299	9,602,577
Changes in Net Assets from Operations		25,634	(1,163,511)
<b>OTHER INCOME (EXPENSES)</b>			
Unrealized gain (loss) on investments		276,315	(504,440)
Realized loss on investments		(84,871)	(70,752)
Change in split interest agreements		93,045	(298,913)
Minimum pension liability		(98,123)	(146,552)
	186,366	(1,020,657)	
Changes In Net Assets		212,000	(2,184,168)
<b>NET ASSETS</b>			
Beginning of year		2,302,577	4,486,745
End of year		\$ 2,514,577	\$ 2,302,577

## TOTAL EXPENSES BY FUNCTION

(Programs 79% • Fundraising 11% • Administration 10%)



■ Tobacco Control	\$1,562,521	21%	■ Fundraising	\$865,671	11%
■ Other Lung Disease	\$1,256,613	16%	■ General & Administration	\$732,864	10%
■ Asthma	\$1,034,672	14%			
■ Environmental Health	\$789,597	10%			
■ Research	\$744,476	10%			
■ Community Health Services	\$616,885	8%			

\* Net after FY10 direct expenses \$408,106 and FY09 expenses \$612,157

\*\* Includes grants from other nonprofits, government, foundations, ALA national and corporate

## Financial and Development Highlights

- Achieved \$212,000 surplus for FY 2010 compared to \$2,184,168 loss for FY 2009
- Seven special events exceeded goal; Lung Walk rebranding broadened public interest and support for walk events
- Direct and in-kind contributions from six new funding partners totaled \$225,000

Summary financial information comes from an audit by Schneider Downs. Full audit is available upon request from our Columbus, OH office.

# American Lung Association of the Midland States Board of Directors

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