Fighting for Air

THE 2008 ANNUAL REPORT

AMERICAN LUNG ASSOCIATION®
When you join the American Lung Association in the fight for healthy lungs and healthy air, you help save lives today and keep America healthy tomorrow.

**Our Mission:** To save lives by improving lung health and preventing lung disease.

**Mission Goals**

• The American Lung Association will eliminate tobacco use and tobacco-related lung disease.

• The American Lung Association will improve the air we breathe so it will not cause or worsen lung disease.

• The American Lung Association will reduce the burden of lung disease on patients and their families.
n 1904 it was a revolutionary concept—a nationwide organization to fight a single disease. Tuberculosis (TB) was the most feared disease in the world, striking down the young and old, the rich and poor. Determined to battle what was called the “White Plague,” a group of doctors and concerned citizens formed the first voluntary health agency in America, the National Association for the Study and Prevention of Tuberculosis, later to become the American Lung Association.

Over a difficult 50-year fight, the Association played a critical role in developing and funding increasingly effective weapons to prevent, detect and treat the disease. Along the way, we launched the Christmas Seals® campaign, the first “direct mail” fundraiser that has become an enduring symbol of the power of volunteers to battle disease.

Over a difficult 50-year fight, the Association played a critical role in developing and funding increasingly effective weapons to prevent, detect and treat the disease.

Over the years, we continued the fight, targeting other threats to lung health, and became the American Lung Association, guardians of everyone’s right to healthy air. Still revolutionary, the Lung Association was among the first to tackle smoking as the nation’s greatest preventable health risk, and to make the connection between air pollution and lung health. Landmark victories included the Clean Air Act, banning smoking on airplanes and curtailing cigarette advertising on television.

Today the fight is more important than ever. We’re funding research that continues to unlock the secrets of lung diseases, from asthma to cancer. Our educational materials give patients the tools to take control of their illness, and our Freedom From Smoking® program is the gold standard for those who want to quit smoking. The annual State of the Air report is a national benchmark for air quality that spurs communities across the country to take action against pollution. The State of Tobacco Control report is the authoritative scorecard on the ongoing fight against tobacco. And year-round, we’re on Capitol Hill, fighting for legislation to keep our air clean and protect our children from predatory tobacco marketing.

And the fight continues. After more than 100 years, the American Lung Association is still fighting for air.
Legendary coach Vince Lombardi once said “Build for your team a feeling of oneness, of dependence on one another and of strength to be derived by unity.” Of course, he was talking about a sports team. Here at the American Lung Association, we have always valued our unified spirit and our unique ability to work together as one Lung Association family—a family that includes staff, volunteers, donors and partners.

Our mission is the bond that draws us together and our shared vision of a world free of lung disease is the common ground on which we all stand.

This year, we learned that fighting for a world free of lung disease could never be more important. Today, for example, more than 34 million Americans have chronic lung diseases. More alarming is that lung disease is the number-three killer in the United States, responsible for one in six deaths. Although we made steady progress this year in the fight to control tobacco—the number one preventable cause of death in America—we still find that the federal and state governments continue to fall far short in protecting Americans from the terrible toll of tobacco. In addition, 42% of Americans live in areas with unhealthful levels of ozone or particulate pollution.

In response to this ever-present health threat, we realigned our entire organization to strengthen our mission focus, and capitalize on the efficiencies of regional partnerships. Key to this success has been our dedicated corps of volunteers, who enrich our ranks at all levels, from governing boards to the caring, tireless neighborhood volunteers—the true unsung heroes of our Lung Association family.

In 2008, we were again joined by powerful partners who share our vision and added their strength to ours, such as the Campaign for Tobacco Free Kids, the LUNGevity Foundation, the Centers for Disease Control and many others.

Completing our Lung Association family are perhaps its most important members—our donors. Without their generosity and support our mission could not be accomplished. Our donors appreciate the fact that when they invest in us, they are supporting one nationwide organization that is committed to its goals, aligned in its actions and accountable for its performance. That support is critical, now more than ever.

During these challenging economic times, we hope that everyone will remember that our mission can’t wait, that pollution won’t pause and lung disease won’t take a holiday until the economic picture brightens. We hope that everyone will give as much as they can, so that we can do all we can, because we are all “fighting for air” together.

As you read about our accomplishments of the past year, you will see that this report is really about the future—the future of our organization, our air and our health—and most importantly, how we build it together. We hope you will see how the American Lung Association is “fighting for air,” in communities nationwide, fulfilling our mission every day, saving lives by improving lung health and preventing lung disease.

Sincerely,

Steve Nolan, Chair 2008-2009
American Lung Association

Charles D. Connor, President & CEO
American Lung Association
Education and Programs

Every year, the American Lung Association provides education and programs to improve the lives of those with lung disease. 2008 saw steady progress and greater support for those who need us the most.

Thousands of children with asthma are better equipped to manage their condition thanks to the American Lung Association’s Open Airways for Schools Program (funding support from the EPS Indoor Environments Division). The community can also provide a safer environment for kids with asthma, using the Asthma-Friendly Schools Initiative (AFSI), funded by the CDC Division of Adolescent and School Health.

Thousands of children with asthma attended safer, healthier schools that are better equipped to meet their needs, thanks to our Open Airways For Schools program.

Adults with asthma continued to learn how to manage their asthma, through our Breathe Well, Live Well program, funded in part by the CDC National Center for Environmental Health, and sponsored by AstraZeneca. We also brought together a group of asthma policy experts to develop a national public policy agenda for asthma, funded by the CDC National Center for Environmental Health.

In partnership with the Joint Commission, we developed the Certificate of Quality Distinction for Chronic Obstructive Pulmonary Disease, which recognizes excellence in COPD programs. Better Breathers Clubs enhanced their ability to improve the lives of COPD and other lung disease sufferers with our new guide for group facilitators, which includes new ideas and tools to meet participants’ needs for information and support.

Fighting for People with Lung Disease.

Dr. Deborah Morosini is fighting lung cancer in memory of her sister Dana Reeve.

When Dana Reeve was diagnosed with lung cancer at age 44, it shocked her family and the world. After losing her husband, actor Christopher Reeve, a year earlier, she was facing the #1 cancer killer of men and women.

Like so many others, Reeve, a nonsmoker, lost her battle with lung cancer. But she left behind a sister who is now waging a campaign to raise awareness about the disease and the need to increase lung cancer research and improve diagnosis and treatment options. “When I found out Dana had lung cancer, there are no words to express how devastated I was,” says Deborah Morosini, MD. She is now working with the American Lung Association in California to fight lung cancer. She has also focused her professional life on improving cancer outcomes. The pathologist now works for a pharmaceutical company conducting cancer research in the hopes of finding more effective treatments. “Nobody deserves to get lung cancer,” Dr. Morosini says. “The fact is, smoking causes lung cancer and if you don’t smoke you can lower your risk. But other things can also cause lung cancer and we really don’t know much about what those are.”

Briana Traut is fighting to make sure asthma doesn’t control her.

When eight-year-old Briana Traut started coughing, wheezing and gasping for air, her mother took her to a lung specialist and received a surprising diagnosis: Briana had asthma.

Briana was saddened by the diagnosis, says her mother, but she brightened when on their way to the doctor’s office she noticed a brochure for the American Lung Association’s Asthma Walk. The annual event raises money to fund life-saving research and programs that support the full mission of the American Lung Association in Virginia. Briana said she wanted to help. Their family formed a team, named “Breath of Heaven,” that raised more than $1,000.

After her diagnosis, Briana’s family jumped in to learn all they could about asthma and how to manage her disease. Briana’s mother Kendra gives Briana her medications and monitors her activities closely to help her daughter avoid asthma episodes, which can be brought on by typical childhood activities such as riding her bike or sliding down the slide with her three siblings. “Briana just wants to play,” Kendra says. “She doesn’t want to stop for asthma.”
Dr. Michael Lisanti is fighting for lung cancer patients through his research funded by the American Lung Association.

“The outlook for patients with lung cancer is often grim. Although early detection can dramatically improve survival, cure rates for lung cancer are very low because the disease has no symptoms in its early stages and has usually spread at the time of diagnosis. There are more than 170,000 new cases of lung cancer in this country each year, yet funding for the disease lags behind breast and prostate cancers,” says Michael Lisanti, MD, PhD.

With the help of a Lung Cancer Discovery Award, funded in partnership between the American Lung Association and the LUNGevity Foundation, Dr. Lisanti is studying how the body protects itself against lung cancer. Tumor suppressor genes are protective genes that normally limit the growth of tumors. But when a tumor suppressor gene is altered or mutated, it stops working properly and may fail to keep a cancer from growing. Dr. Lisanti is seeking to develop replacements for these genes to treat lung cancers.

The Lung Cancer Discovery Award is critically important to his work, Dr. Lisanti says. “Especially now, during the research funding crisis in this country, we greatly appreciate the support. We wouldn’t have been able to do the project without this funding.”

Fighting for a Cure.

“Funding research has been a pillar of the American Lung Association’s fight for air for over a century. In 2008, our donors again made it possible for us to help some of America’s most talented medical minds to continue to focus on helping people with lung disease.”

Our Nationwide Research Awards and Grants Program fosters laboratory and patient-centered research to find cures, and to prevent and relieve suffering from a vast range of lung diseases, from lung cancer to conditions that target infants. In 2007–08, our program funded 66 grants to further cutting-edge research. Support in funding this year’s research program came from such partners as Alpha-1 Foundation, the LUNGevity Foundation, the Chest Foundation and the LAM Foundation.

The Lung Association’s Asthma Clinical Research Centers Network (ACRC) continues to contribute major improvements to asthma treatments through a network of 20 clinical centers throughout the country and a Data Coordinating Center managed by a team at Johns Hopkins University.

The ACRC is currently involved in two NIH-funded programs researching the interaction between acid reflux and asthma. The first study, “Acid Reflux and Asthma,” investigated whether treating acid reflux in adults helps to relieve asthma. Preliminary results were presented at the American Thoracic Society’s annual meeting and will be published in the near future. A second study, “Acid Reflux in Children with Asthma,” is similar to the adult trial, but focuses on children ages 6–17.

During the year, the ACRC also produced a number of manuscripts and editorials that were published in esteemed journals such as the American Journal of Respiratory and Clinical Care Medicine and the New England Journal of Medicine.
Manuel Cervantes is fighting air pollution because it hurts his community.

When Manuel Cervantes heard about the American Lung Association in California’s Healthy Air Walk, he knew he had to get involved. The vice president of sales for KNSO Telemundo Spanish-language television station in Fresno, Cervantes is a recent transplant to the Central Valley area, and he has been shocked by the bad air quality.

Telemundo agreed to be a media sponsor for the Fresno Healthy Air Walk and promoted the event through public service announcements. Team Captain Cervantes is currently busy building the Telemundo Fresno Team, encouraging co-workers to join his efforts.

“We are focusing on what matters to the Hispanic community in our area, and healthy air is a very important issue to us,” he says. “We need to make the community aware of the dangers of air pollution and the steps we can take to improve our air.”

Shannon Riggs is fighting for smokefree air through advocacy.

When Shannon Riggs was a freshman in high school, she became active in tobacco control advocacy because she was angered by what she learned about the deceptive marketing tactics of tobacco companies. “There are few, if any, causes other than tobacco control that have as much potential to prevent needless death, and we are making progress,” she says.

Riggs, now a public relations professional who serves on the board of the American Lung Association in Oregon, is proud of the Lung Association’s work with partner organizations to bring about Oregon’s new Smokefree Workplace Law, which took effect January 1, 2009. The law will affect all businesses, including restaurants. “The Lung Association does more than look at the problems of tobacco control, it is partnering with public and private organizations to come up with solutions,” Riggs says.

Advocacy

Every year, the Lung Association fights for legislation defending your right to breathe healthy air, free of pollution or tobacco smoke. In 2008, our advocacy efforts again yielded important victories in our fight for air.

Tobacco Control

State of Tobacco Control 2007, our sixth annual report card, graded key state and federal tobacco control policies. Important legislative victories included: prohibition of tobacco sales in the U.S. Senate and House of Representatives; legislation introduced to increase Medicaid/Medicare coverage for smoking cessation services; smokefree workplace laws passed in Illinois, Iowa and Nebraska; increased cigarette taxes in the District of Columbia, Maryland, Massachusetts, New York and Wisconsin; and new legislation to provide tobacco cessation treatments to Medicaid recipients in Arizona, Nebraska and Washington. We also created the Cessation Coverage Project, which evaluates tobacco cessation treatment coverage in the country and works to increase this coverage.

Clean Air

Our State of the Air 2008 report captured headlines by grading air pollution across the nation and ranking the most polluted cities. We launched a new website for that report, with interactive maps, blogs and personal stories, and successfully pressed the EPA to adopt the tightest national air quality standard ever for ozone pollution and requirements for cleaner locomotives and marine vessels. We won a victory against the EPA in court, preventing them from weakening key protections in the Clean Air Act that require communities to take steps to clean up ozone pollution.
Jonathan Emlet is fighting for people with COPD by getting active.

In 1981, Stanley Emlet was blessed with a son, Jonathan. That same year, he received devastating news—he had developed emphysema after smoking for 40 years. His doctor told him if he wanted to see Jonathan grow up, he’d have to stop smoking. Stanley did succeed in quitting smoking and lived for another 25 years, but eventually succumbed to emphysema. In 2005, six months before his father’s death, Jonathan founded Steps for Stanley, a nonprofit endowment of the American Lung Association, to raise money for research into and education about pulmonary diseases.

In his first fundraising adventure, a hike of the 2,000-mile Appalachian Trail, he raised more than $7,000.

In his first fundraising adventure, a hike of the 2,000-mile Appalachian Trail, he raised more than $7,000. In the summer of 2008, Jonathan and his wife Jenny, along with their friend Carrie Ahlquist, set out from Oregon on their second Steps for Stanley event: a 4,000-mile, 12-state bicycle tour that took three months and raised more than $10,000 for lung disease research and education.

“I saw from my father’s experience how much we need to find a cure for lung disease,” Jonathan says.

Carolyn McTague is fighting for children by making a lasting gift in memory of her husband.

Reed “Mac” McTague was a career Army enlisted officer who died of emphysema in 2005. His widow, Carolyn, says that he regretted his years of smoking and struggled to quit even after he learned that he had irreversible lung disease. He ultimately succeeded, though by that time the lung disease severely limited his physical activities.

When Carolyn was considering ways to honor Mac’s memory, she focused on youth since Mac always had a great rapport with small children. Carolyn started the Reed McTague Fund for Healthy Kids through the American Lung Association in Virginia, which has funded a program to educate young children about smoking through puppet shows at local elementary schools. Funds have also been used for Open Airways For Schools, the American Lung Association’s children’s asthma education program.

Carolyn has also set up a gift annuity to the American Lung Association. She says, “My hope is that through this memorial, we will be making a difference in the lives of many children, and perhaps influence some parents as well.”

LUNG HIGHLIGHT: More smokers will quit and fewer people will start because of our leadership in passing higher cigarette taxes in Maryland, Massachusetts, New York, Wisconsin and the District of Columbia.
Frank Battafarano is fighting lung disease by getting his whole company involved.

As chief operating officer of Kindred Healthcare, Frank Battafarano sees the toll that lung disease takes on longterm care patients, many of whom have respiratory-related illnesses.

Battafarano hasn’t just committed himself to the cause of fighting lung disease—he got the entire company involved. Kindred Healthcare became a Presenting Sponsor of the American Lung Association in Kentucky’s Asthma Walk, and Battafarano became the Corporate Team Chair four years ago. In the last year, Kindred Healthcare has raised approximately $200,000 nationwide to help the American Lung Association fight asthma.

Kindred Healthcare hosts many events to support the Asthma Walk, including the Jail-a-thon. Employees pay to have co-workers “arrested” and the jailed employees have to post bond themselves or raise money to get themselves out.

Kindred Healthcare encourages its employees in its corporate office and two local hospitals, as well as all employees at Kindred’s 83 hospitals around the country, to get involved. Battafarano proudly notes, “We are dedicating up to a total of $100,000 in dollar-for-dollar matching funds for employees throughout the country who participate in their local Asthma Walks.”

LUNG HIGHLIGHT · 437,000 volunteers joined the Lung Association in the fight for air this year.

Fighting to Give Back.

Volunteering

The American Lung Association is powered by the passion of volunteers. This past year, 437,000 volunteers showed their passion by raising money for lung disease research, teaching children how to avoid asthma episodes and educating young people about the dangers of tobacco. They also helped smokers break their addiction to nicotine, and fought for tougher air-quality standards so all Americans can breathe easier. Some took to the trails on Asthma Walks or Bike Rides to help raise money and build awareness of lung disease. Here’s how you can help:

Anyone who believes in clean air and healthy lungs can find their own way to help the fight:

HELP WITH FUNDRAISING OR SPECIAL EVENTS

Get involved in a special event, such as an Asthma Walk or Stair Climb in your community. Participate in the Residential Campaign or support our Christmas Seals® campaign.

BECOME AN ADVOCATE

Help us advocate for lung health. Sign up as an eAdvocate on www.lungusa.org and receive critical updates about lung health legislation and how you can help. Participate in local advocacy, such as an event for our Smokefree Air Campaign to make all 50 states free of the harmful impact of Big Tobacco. Learn more at www.lungaction.org or your local Lung Association office.

FACILITATE A PROGRAM

Facilitate a local program to help children, teens or adults manage their asthma or quit smoking. The American Lung Association has a range of programs that are the gold standard for managing lung health issues.

BECOME A LEADER

Get involved in a local Leadership Council or Governing Board that drives results and helps the American Lung Association be a diverse, passionate organization. Contact your local Lung Association office for details.
Mollie Brown is fighting for her kids by staying an ex-smoker.

Mollie Brown began smoking in the fifth grade. “My best friend, a fourth-grader at the time, was a smoker and both her parents were smokers so it was very easy to get cigarettes. I also thought it looked pretty darn cool,” Brown says.

Sixteen years later, it was her children who prompted her to quit. “I’m a stay-at-home mom and I do everything in my power to give them the best, most healthy life,” she says.

Brown had tried nicotine patches in high school to quit, and had also tried quitting cold turkey a few times, but nothing stuck. This time, she tried the American Lung Association’s Freedom From Smoking® program. “What I liked about the program is the support I got from people who were trying to do the same thing I was,” she says. “This class gave me the tools and the strength to quit.” Now smokefree for almost three years, Brown has since encouraged friends to participate in the program.

“Now that I’m smokefree, I feel like a new person,” she says. “One thing I do now that I’m a nonsmoker is work out. It feels so good to be able to get through an entire workout without taking a break. And all the time I used to smoke is now spent with my kids. That means more to me than anything!”

Tobacco Education

Each year thousands turn to the American Lung Association to quit smoking because they know we are the experts who have helped people quit since before the first Surgeon General’s report about the health risks of tobacco in 1964. In 2008, we made more great strides helping those who are fighting to quit smoking.

Freedom From Smoking® celebrated its 25th anniversary this year with the release of a new edition incorporating the latest science on effective treatment of tobacco addiction. This gold standard smoking cessation program helps smokers address the physical, mental and social aspects of nicotine addiction.

More than 14,000 people in 2008 signed up to quit smoking using the Freedom From Smoking® Online program, and 15,000 calls from smokers determined to quit were fielded by our expert cessation counselors at our Lung HelpLine (1-800-LUNGUSA).

Not-on-Tobacco (N-O-T), our teen smoking cessation program, received significant private donations to help it expand. We will be working with school systems around the country to bring the program to even more teens who are ready to quit.
Join the American Lung Association in Fighting for Air by Becoming a Donor.

DONATE ONLINE
It’s easy to donate online and you’ll know in an instant that your gift was received. Visit www.lungusa.org to make a donation to help all Americans breathe easier. Our General Donation form allows you to submit a one-time gift or a recurring contribution. Our Memorial Donation form allows you to give in honor of a loved one or recognize a special occasion. Our Golf Privilege Card® program (www.golfprivilegecard.org) offers free or reduced greens fees, and other special golf deals. Thanks to MissionFish and eBay’s Giving Works you can support lung health by selling your treasures on eBay and designating all or a portion of the proceeds to the American Lung Association.

HOLIDAY GIVING
Since 1907, our fall Christmas Seals® campaign has been supporting the American Lung Association. Visit www.christmasseseals.org to join our mailing list and be sure you receive your very own seals, holiday greeting cards and address labels to brighten your holiday season.

SPECIAL EVENTS
Lung Associations around the country hold a variety of events that are designed to raise awareness and funds. The events range from physical activities like walks, rides and climbs to galas where you have the chance to bid on silent auctions. Your active participation or financial support of a participant will help raise the funds necessary to support our continuing work in advocacy, research and education. Visit www.lungusa.org or call 1-800-LUNGUSA to find an event near you.

OTHER WAYS TO GIVE
Planned giving is donating to charity that is coordinated with financial and estate planning to serve both philanthropic and personal needs. Planned giving incorporates many different kinds of financial and tax benefits. Memorial gifts honor the memory of a friend or relative in a meaningful way. You can even create a special page at our online Wall of Remembrance. Through a Gift Annuity you can make a donation and in return designate fixed payments to one or two individuals, for their lifetime. Special occasion gifts celebrate birthdays, graduations, anniversaries and recovery from illness with a donation to the Lung Association.

WORKPLACE GIVING
Many workplaces provide their employees with the opportunity to make a donation to the Lung Association, often as a simple payroll deduction. The American Lung Association is a member of Community Health Charities (www.healthcharities.org), a federation of more than 60 health charities that manages its workplace giving opportunities. If your workplace is involved in the Combined Federal Campaign, the United Way Campaign or a Community Health Charities Campaign, please specify the American Lung Association as the recipient of your support.
Where Your Donation Goes.

Your gift to the American Lung Association helps us save lives by improving lung health and preventing lung disease in three areas proven to be effective: advocacy, education/programs and research. Every single gift makes a real difference in helping us fulfill our lifesaving mission. As a Charity Navigator “Four Star” Charity and Better Business Bureau accredited charity, we are committed to being the best possible stewards of donated funds. We are dedicated to honoring donor intent and practicing financial transparency.

These charts illustrate a breakdown of expenditures in both real dollars and percentage of total income. The second chart, in particular, illustrates the outstanding operating efficiency of the American Lung Association, with 86 cents out of every dollar going to program services.

LUNG HIGHLIGHT - The American Lung Association’s Faces of Influenza campaign, in collaboration with sanofi pasteur, continued to help consumers recognize the importance of annual influenza vaccination. In its second year, the initiative included grassroots activities and outreach within the Hispanic community, and partnered with local Lung Associations in six markets: Detroit, Houston, Minneapolis/St. Paul, Philadelphia, Phoenix and Seattle. Actress and mother Jennifer Garner served as national spokesperson and a multitude of people helped put everyday “faces” on the need for annual immunization.

National and local programming activities garnered widespread media attention, including coverage in Best Life, Family Circle, Parenting and Forbes.com, with the initiative reaching an estimated audience of more than 850 million people.
## Financial Statement

### BALANCE SHEET

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<th>ASSETS</th>
<th>2008</th>
<th>2007</th>
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</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
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<tr>
<td>Cash and cash equivalents</td>
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<tr>
<td>Receivables, net of allowance for doubtful accounts</td>
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<td>Current portion of notes receivable</td>
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<td>Prepaid expenses</td>
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<td><strong>Notes receivable, net of current portion</strong></td>
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<td>Investments</td>
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<td>Property and equipment, net</td>
<td>$631,408</td>
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<tr>
<td>Other assets</td>
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<td>248,955</td>
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<td><strong>Total Assets</strong></td>
<td>$33,645,816</td>
<td>$34,008,648</td>
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### LIABILITIES AND NET ASSETS

| Current Liabilities         |               |               |
| Accounts payable and accrued expenses | $2,985,182 | $3,331,223 |
| Borrowing under line of credit | 1,634,111  | 1,027,937    |
| Awards and grants payable    | 4,199,569    | 3,289,130     |
| Deferred revenue             | 4,459,337    | 3,266,929     |
| **Total Current Liabilities**| $13,278,199  | $10,915,219   |
| Due to constituent and affiliate Lung Associations | 2,762,564 | 2,808,390 |
| Accrued pension & retiree life insurance liability | 3,480,506 | 3,904,364 |
| Other liabilities            | 1,610,011    | 1,279,802     |
| **Total Liabilities**        | $21,131,280   | $18,987,775   |

| Net Assets                   |               |               |
| Unrestricted                 | 9,793,949     | 11,951,041    |
| Temporarily restricted       | 933,124       | 1,272,369     |
| Permanently restricted       | 1,797,463     | 1,797,463     |
| **Total Net Assets**         | $12,514,536   | $15,020,873   |

### STATEMENT OF ACTIVITIES 2008

<table>
<thead>
<tr>
<th>PUBLIC SUPPORT AND REVENUES</th>
<th>2008</th>
<th>2007</th>
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<tbody>
<tr>
<td>Shareable Income</td>
<td>59,469,585</td>
<td>51,735,136</td>
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<td>Other Public Support</td>
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<td>10,742,433</td>
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<tr>
<td>Grants from government agencies</td>
<td>917,999</td>
<td>902,700</td>
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<td>Supplies to Lung Association</td>
<td>56,376</td>
<td>153,878</td>
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<td>Interest and dividend income</td>
<td>563,427</td>
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<td>Direct Mail Reimbursements</td>
<td>25,125,114</td>
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<td>Program service fees, royalties and other</td>
<td>4,526,094</td>
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<td><strong>Total Public Support and Revenues</strong></td>
<td>$53,092,052</td>
<td>49,210,191</td>
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<td>Cost of sales to Lung Associations</td>
<td>(230,214)</td>
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<td>Net Public Support and Revenues</td>
<td>$53,092,052</td>
<td>48,979,977</td>
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### PROGRAM SERVICES

| Field Program Development   | 2,542,506     | 890,120       |
| Field Fundraising            | 17,010,935    | 10,994,096    |
| Field Management Advisory   | 2,174,522     | 4,246,196     |
| Public Health Education      | 16,994,172    | 13,641,549    |
| Research                     | 7,860,677     | 7,918,444     |
| Advocacy                     | 961,670       | 1,397,252     |
| **Total Program Services**   | $47,544,482   | $39,088,357   |

### SUPPORTING SERVICES

| Management and General       | 6,954,663     | 7,975,482     |
| Fundraising                  | 848,483       | 1,506,525     |
| **Total Supporting Services**| 7,803,146     | 9,482,007     |

### Total Cost of Program and Supporting Services

| 2008            | 48,570,364 |

### CHANGE IN NET ASSETS

| Before Non-operating items | (2,255,576) |
| Investment Changes         | (631,268)   |

| Changes in net assets arising from pension & retiree life plan | 380,507     | (2,487,779) |
| Change in Net Assets                                         | (2,506,337) | (1,048,407) |
| Net Assets, beginning of year                                | 15,020,873  | 16,069,280  |

| Net Assets, end of year                                      | $12,514,536 | $15,020,873 |
AMERICAN LUNG ASSOCIATION 2007–08 NATIONAL BOARD OF DIRECTORS

Lee A. Baggott, MD, FCCP
Francis (Frank) L. Barkofské
Robert E. Bates, Jr.
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Terri E. Weaver, PhD, RN, FAAN, Past-Chair 2007–08
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 cigarettes and the debilitating effects of lung disease.

We will breathe easier when the air in our public spaces and workplaces is clear 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.**