



march of dimes®

A FIGHTING CHANCE FOR EVERY BABY™

2015 Annual Report

2015 Officers' letter



Gary Dixon (right) and
Dr. Jennifer L. Howse

The March of Dimes is tackling the most urgent health issue facing our children today: premature birth. Prematurity is the #1 killer of babies and a leading cause of newborn death and disabilities worldwide.

The consequences in our country are extremely serious: 1 out of every 10 babies is born too soon; we have one of the highest rates of premature birth among developed nations; and businesses spend more than \$12 billion annually in excess health care costs for premature babies.

The March of Dimes has worked since 2003 to help states and the nation fight premature birth, and we've made real progress. Between 2006 and 2013, U.S. preterm birth rates declined by more than 10 percent, preventing an estimated 231,000 babies from being born preterm. But progress is not victory. Many communities and groups still bear a disproportionate burden of premature birth, and racial disparities in birth outcomes is a problem we must overcome.

That's why the March of Dimes set new goals for our nation in 2015, and we laid out a plan to get there: funding cutting edge research and targeting solutions to the areas where they are needed most. Our goals, endorsed by six other leading professional and public health organizations, are to 1) reduce the U.S. rate of preterm birth from 9.6 to 8.1 percent by 2020 and 2) to reduce the U.S. rate of preterm birth to 5.5 percent by 2030. Achieving this 2030 goal would spare 1.3 million families from the fear and heartache associated with premature birth, and it would save our nation's health system nearly \$70 billion in costs.

We are pursuing these goals through five approaches to show March of Dimes CARES.

"C" stands for Community. We are expanding access to prenatal care and risk reduction programs aimed at lowering the number of premature births in communities across the country.

"A" stands for Advocacy. Our volunteers speak out in Washington, D.C., and in state capitals to ensure health coverage and other support for impoverished pregnant women and their babies. We also champion the needs of children and families living with birth defects, as well as programs like newborn screening, which identifies serious but treatable conditions early.

"R" stands for Research. Over the next 5 years, we will devote more than \$60 million to our Prematurity Research Centers — large, diverse teams of top researchers working together to find the causes of premature birth. We expect these centers to uncover new risk factors, biomarkers, causes and treatments that will save many babies from being born too soon and drive significant progress in our quest to halt premature birth.

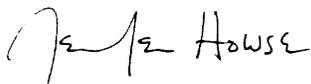
"E" stands for Education. Through our website, printed materials, videos and workplace programs, we help women and families prepare for the healthiest possible pregnancy.

"S" stands for Support. In more than 130 programs across the country, we offer information and comfort to families with a baby in newborn intensive care through our NICU Family Support® program. We rally corporations and communities to help fight premature birth and birth defects. We also bring families impacted by premature birth and loss together at shareyourstory.org.

To achieve these goals, we must continue to grow our revenue. In 2015, we laid the foundation to strengthen fundraising through the following actions:

- We are realigning our organization around markets rather than state lines, and restructuring functional responsibilities to better support our market leaders to focus on mission delivery, volunteer development and revenue generation.
- We are strengthening our brand using a new tagline, *A Fighting Chance for Every Baby*, and a new cause marketing platform under the banner “Give today. Give them tomorrow.”
- We are investing in our major gifts capability to support the Campaign to End Premature Birth, launching projects in 13 states that have yielded encouraging first-year results.

Because of the continued threat of premature birth, too many families today face tragic health problems with their newborns that might have been prevented. The March of Dimes is dedicated to helping those families and supporting the needed research and programs that will enable many more families in every community to know the joy of a healthy birth. We look forward to a successful 2016, and thank you for your generous and continued support.



Dr. Jennifer L. Howse
President
March of Dimes Foundation



Gary Dixon
Chair
National Board of Trustees

More highlights and financials at
marchofdimes.org/annualreport

Community – Helping more moms get to full term



The Healthy Babies are Worth the Wait® (HBWW) community program helps reduce the number of premature births through strong collaboration among the March of Dimes, local maternal-child health organizations, health care providers and other community leaders. Begun as a 3-year initiative in Kentucky with funding from Johnson & Johnson, the program now has more than 30 active sites in seven additional states: California, Florida, Illinois, Kansas, New Jersey, New York and Texas. In 2015, the second-annual in-person meeting of the Healthy Babies are Worth the Wait Implementation Network (HBWWIN) attracted

more than 70 participants from sites across the country. The network's online community launched this year, too, and now has 93 members.

HBWW community programs include coordination and access to prenatal care, including the group model, CenteringPregnancy®, at hospitals around the country. In 2015, about 5,600 women participated in these programs, which gave the women more time with their health care provider and offered them an opportunity to interact with other pregnant women.

Advocacy – Raising our voices for moms and babies

In spring 2015, President Obama signed into law a 2-year extension of the Children's Health Insurance Program (CHIP). This federal-state partnership provides quality, affordable care to more than 6 million children and more than 370,000 pregnant women each year. Ensuring its renewal was a top March of Dimes priority. We also successfully advocated for Congress to pass the Protecting our Infants Act of 2015. This law focuses additional federal attention and resources on skyrocketing rates of neonatal abstinence syndrome, which occurs when newborns experience drug withdrawal shortly after birth due to exposure to drugs like opioids in utero.



In addition, March of Dimes local offices scored a record-shattering 128 legislative and regulatory victories in states across the nation. Our volunteers and staff notched wins on issues as diverse as Medicaid expansion, tobacco cessation, birth defects surveillance and much more.

Research – Discovering the unknown causes of premature birth

The March of Dimes continues to fund brilliant researchers to get us ever closer to finding the causes and preventions for premature birth. In June, University of Chicago-Northwestern-Duke joined Stanford University, the Ohio Collaborative, Washington University in St. Louis, and the University of Pennsylvania as our fifth Prematurity Research Center. This team will look for answers by addressing research themes around gene regulation, including genes that govern human pregnancy and the evolution of pregnancy across multiple species.



This past year at Stanford, scientists found that the community of microorganisms, known as microbiomes, in the reproductive tracts of pregnant women who later had a baby born too soon is significantly different from those of women who delivered full term. This may greatly help to predict which women are more likely to have an early birth.

While investigating mothers' height and risk for preterm birth, the Ohio Collaborative learned that shorter mothers have shorter pregnancies, smaller babies and a higher risk for a preterm birth, showing that a woman's height influences the length of her

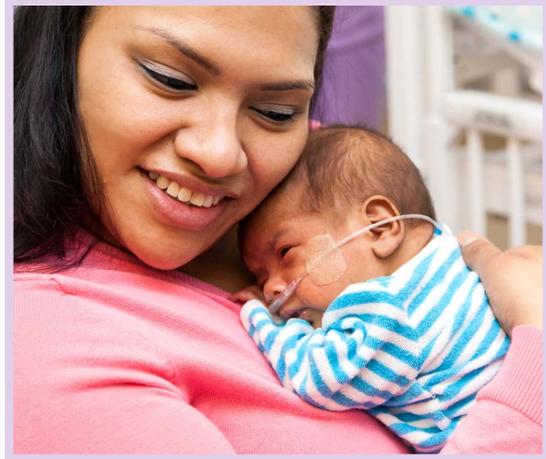
pregnancy, regardless of the genes that determine fetal size.

Also in 2015, at the Society for Maternal-Fetal Medicine annual meeting, the March of Dimes honored researchers who used nanoparticles to engineer a special drug that demonstrated a new way to reduce preterm birth. These findings may prove reliable in stopping contractions or preventing preterm birth without causing harm to babies.

On November 17, World Prematurity Day, we held a Prematurity Prevention Conference in Washington, D.C., to address current work to understand and stop premature birth as well as continuing challenges, such as disparities in perinatal health across racial and ethnic communities. We also confirmed our commitment to achieve a preterm birth rate of 5.5 percent by 2030 and introduced a roadmap to help us reach our goals.

Education – Expert help is a click away

Setting the stage for healthier babies begins with educating moms-to-be, families and their health care providers. For women on the job, we hit a milestone of 500 organizations signed up for Healthy Babies Healthy Business®, a free workplace wellness program. It is now available to 26 million employees worldwide. We also are sharing the importance of access to services that promote appropriate birth spacing, which is the time from one child's birth until the next pregnancy. Pregnancies that start less than 18 months after birth have been found to lead to preterm birth and low birthweight.



We provided a big boost to finding the latest pregnancy and newborn health information online and on mobile devices thanks to a refreshed website redesign in 2015. The updated **marchofdimes.org** had approximately 5 million new visitors and 2.5 million new mobile users, while 3.5 million Spanish-speaking moms and families, with 1.8 million on mobile, accessed health articles and videos on **nacersano.org**.

Also this past year, 148,000 women wishing to record their pregnancies downloaded CineMama®, our mobile phone app. In addition to turning pictures of their growing belly into a fun movie, updates allowed them to celebrate their progress, track weight gain and get tips on how to have a healthy baby.

For nearly 20 years, the March of Dimes has offered personalized, one-on-one health education and support in English and Spanish to women and families through our Pregnancy & Newborn Health Education Center®. In 2015, we assisted more than 17,000 families with information on pregnancy, preconception, birth defects and prematurity through our websites, email, blogs, Twitter and Facebook.

Support – Comfort and information for parents



Rubi Guzman had an uneventful pregnancy until, for unknown reasons, she went into early labor. Her son, Andres, was born prematurely on September 28, 2015, at 25 weeks, weighing 1 lb., 15 oz. Nothing could prepare Rubi and her husband, Israel, for the fear and uncertainty that would come during most of their baby's 4-month hospital stay, but March of Dimes NICU Family Support was there to help.

While the professionals in the NICU at Northwestern Prentice Women's Hospital in Chicago handled Andres's medical emergencies, Jessica Bowen, MSW, LCSW, NICU Family Support Specialist, immediately cared for his parents. Rubi says, "I never had

to go looking for her. She always found us!" Jessica offered information about the NICU; helped them create a keepsake of their baby's milestones; prepared them for their first Kangaroo Care experience — holding their son skin-to-skin — and set up holiday celebrations.

"I try to anticipate ways that we can make each day just a little bit easier — with a class, a change in family-centered care practices, or something as simple as a smile," Jessica explains. She also arranged for Sara Johnson, a former NICU parent of twins and a key part of the parent-to-parent volunteer program, to spend time with the family and listen to their concerns. "I wanted to get involved to provide hope, encouragement and support to the Guzmans because that same compassion had such a positive impact on my own family," Sara explained.



Jessica Bowen, NICU Family Support Specialist

Israel, Andres's dad, spent as much time as he could by his son's side and recalls, "Without NICU Family Support, our whole experience would have been scarier. The professionals were great, but we couldn't expect them to be with us." The best preparation with Jessica and the staff was the 3-week transition from hospital to home, leading up to Andres's discharge on January 28, 2016, after 123 days, when he weighed 8 lbs., 12 oz.!

Prematurity Awareness

On November 17, the 5th annual World Prematurity Day, 100 countries participated in a variety of activities. In addition, we released the 8th annual Premature Birth Report Card. Besides giving states and the nation a letter grade, the new Report Card provided rates and grades for major cities or counties in each state and Puerto Rico. It also provided preterm birth rates by race and ethnicity for each state and applies a disparity index that ranks states. Four states received an "A," but the United States overall received a "C" based on a 9.6 percent preterm birth rate.



In September, close to 300 participants from 37 countries attended the 7th International Conference on Birth Defects and Disabilities in the Developing World (ICBD) in Dar es Salaam, Tanzania. In her opening remarks, Dr. Jennifer Howse emphasized that birth defects are the fourth leading cause of newborn death worldwide and a significant cause of lifelong disability in survivors. The conference concluded with a pledge to reduce the burden of congenital disorders by providing every woman an opportunity to have a healthy pregnancy, and to improve the care and quality of lives of affected individuals and their families.

Thanks to you



Across the country, fundraisers and donors acted on their desire to give every baby a fighting chance. Through their generous involvement, the March of Dimes raised a total of \$192.1 million in support of lifesaving research, services, education and advocacy so more moms can have full-term pregnancies.

We also are grateful to the 29,000 corporate and 14,000 family teams and individuals who made an impact in our signature fundraising event, March for Babies®.

In April, United Airlines received a new Boeing 737-900ER aircraft painted with a special design commemorating their 10-year partnership with the March of Dimes and raising awareness of our lifesaving mission. Attended by United leaders and its vendors, Boeing and the March of Dimes, the delivery event raised more than \$900,000 — which was part of United's \$3.2 million total campaign effort. Dr. Howse and Elijah Jackson, the 2015 March of Dimes National Ambassador, were among the special guests on the inaugural flight of United's purple plane.

Our top adult walker was Rob Kindler from New York on the Morgan Stanley team, who raised \$155,000. And for the first time ever, two family teams raised more than \$100,000. Team Will, headed by team captains Anna and Mitch Johnson from Statesville, N.C., raised more than \$106,000, and Jordan's Team, led by Jordan Horowitz from Los Angeles, Calif., raised nearly \$104,000. The Top 10 March for Babies teams were Kmart Corporation, Publix Super Markets, Inc., United Airlines, Macy's, Famous Footwear, GE, Citi, UAW, Cigna and Cisco.

Each year, the March of Dimes also hosts hundreds of events to raise the critical funds to achieve our mission and celebrate with passionate supporters. The largest of these events is the Celebration of Babies® luncheon, which recognizes celebrities and entertainment industry professionals who recently had a baby and share our commitment to healthy pregnancies and families. Jessica Alba, Mindy Kaling, Rachel Zoe, Naya Rivera and mission dad Nick Cannon, who served as emcee, were on hand for another record-breaking year to raise \$1.4 million. Through the dedication of our volunteer leadership, thousands attended Signature Chefs Auctions® events nationwide, featuring top culinary talent, which generated more than \$25 million for the foundation. Additionally, more than 6,500 nurses were nominated for Nurse of the Year Awards for their exceptional impact on patients and their families, and events honoring the winners raised nearly \$2 million.

The money raised through all our events helps us fight premature birth and other challenges that affect our newborns, as well as bring hope and comfort to families with a baby born too soon or very sick.

Partners and sponsors

March for Babies® sponsors



Kmart remains the March of Dimes longest-standing corporate partner and largest contributor to our mission, having raised more than \$134 million in the past 32 years.

“Kmart takes great pride in having supported the March of Dimes every year since 1983. With more than \$134 million raised over that time, it’s a testament to the dedication of our associates, Shop Your Way members and customers who join us in championing March of Dimes efforts to provide world-class care and research, and help ensure every baby is born healthy.”

— Alasdair James, President and Chief Member Officer



Famous Footwear, also the official shoe sponsor of March for Babies, has supported the March of Dimes through a highly successful in-store, online and internal corporate donation campaign, resulting in more than \$17.5 million total raised by customers and employees. Their efforts earned them the title of #5 top corporate partner in 2015.

“At Famous Footwear, we’re committed to enriching the communities where our customers live and where we do business. The continued generosity of Famous Footwear customers and associates to the March of Dimes campaign is an investment in those local communities. We are proud to continue our longstanding partnership with the March of Dimes.”

— Rick Ausick, Division President Famous Footwear/Caleres



The March of Dimes and **Macy's** have a long history, when employees started walking in March for Babies some 18 years ago — a tradition that continues today. And, celebrating a 5-year milestone in 2015, the March of Dimes was once again the exclusive, national in-store beneficiary of Macy's annual Shop For A Cause program. In total, Macy's associates and customers have raised more than \$22.6 million.

"Macy's is committed to giving back, nationally and to our local communities, and we are proud of our longstanding partnership with the March of Dimes. Our Shop For A Cause program has provided our customers and associates the opportunity to give back, and show their support of the March of Dimes, making a positive difference in the lives of families nationwide."

— Martine Reardon, Chief Marketing Officer



Cigna and its employees join together to improve the health of babies — it's a joyous effort that over the past two decades has contributed more than \$29.5 million to the March of Dimes.

"Cigna actively supports the March of Dimes mission to help mothers have full-term pregnancies and promote research of the problems that threaten the health of babies. We are focused on helping to ensure that every baby has a chance to be born as healthy as possible."

— David M. Cordani, President and CEO



United Airlines, also the Official Airline of the March of Dimes National Ambassador Program, has raised more than \$8.7 million through participation in March for Babies. Their efforts help raise awareness of the March of Dimes mission among their employees and in the communities they serve.

"United has a profound tradition of supporting the March of Dimes, serving as the Official Airline of the National Ambassador Program and a leading sponsor of March for Babies. Even more meaningful, though, is the way our employees rally behind this tremendous organization, devoting their time, resources and spirit to the cause year after year. We take great pride in their efforts to give every baby a fighting chance."

— Oscar Munoz, President and CEO



Mission Pharmacal, along with its employees and customers, has been supporting March for Babies since 2010, raising nearly \$2 million and tremendous awareness among women and families of the March of Dimes mission.

“Mission Pharmacal knows the importance of our partnership with the March of Dimes. It’s unconditional love that makes a difference for all of us. Our coast-to-coast fundraising includes sold-out bake sales to marching with friends and company family. The joy we give is heartfelt and in keeping with our dedication to help others.”

— Neill “Gobie” Walsdorf, Jr., President

Prematurity Campaign sponsors

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The Bon-Ton Stores, Inc.
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eBay
Kmart
Martha Stewart Living Omnimedia
Mud Pie

Statement of financial activities

Year ended December 31, 2015 and 2014 (amounts in thousands)

	<u>2015</u>	<u>2014</u>
Operating activities:		
REVENUE		
Contributions	\$ 167,570	\$ 177,320
Bequests and major gifts	9,759	7,631
Government, foundation and corporate grants	3,901	2,972
Investment return appropriated for operations	5,750	5,750
Other	5,216	5,163
Total operating revenue	<u>\$ 192,106</u>	<u>\$ 198,836</u>
EXPENSES		
Research and medical support	\$ 31,263	\$ 31,972
Public and professional education	78,609	75,168
Community services	52,939	50,732
Management and general	23,137	21,607
Fundraising	29,780	26,538
Total expenses	<u>215,728</u>	<u>206,017</u>
(DEFICIENCY) OF OPERATING REVENUE OVER EXPENSES	<u>(23,622)</u>	<u>(7,181)</u>
Non-operating activities:		
Investment return (less than) greater than appropriated	(6,989)	(2,312)
Adjustment in pension liability	19,409	(40,967)
Change in net assets	<u>\$ (11,202)</u>	<u>\$ (50,460)</u>

Statement of financial position

Year ended December 31, 2015 and 2014 (amounts in thousands)

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Investments, cash and cash equivalents	\$ 75,155	\$ 105,146
Assets held in trust by others	10,250	11,144
Land, building, and equipment - net	8,767	10,497
Other assets	18,691	13,191
Total assets	<u>\$ 112,863</u>	<u>\$ 139,978</u>
 <u>LIABILITIES</u>		
Grants and awards payable	\$ 22,646	\$ 19,886
Accounts payable and accrued expenses	20,998	14,906
Accrued postretirement and pension benefit costs	53,555	78,525
Other liabilities	2,249	2,044
Total liabilities	<u>99,448</u>	<u>115,361</u>
 <u>NET ASSETS</u>		
Operating	49,767	85,463
Accrued postretirement and pension benefit costs	(53,555)	(78,525)
Total unrestricted	<u>(3,788)</u>	<u>6,938</u>
Temporarily restricted	4,558	4,380
Permanently restricted	12,645	13,299
Total net assets	<u>13,415</u>	<u>24,617</u>
 Total liabilities and net assets	 <u>\$ 112,863</u>	 <u>\$ 139,978</u>

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