



# 2017 ANNUAL REPORT

*Our quest is to assure that people with Myalgic Encephalomyelitis/  
Chronic Fatigue Syndrome and Fibromyalgia (ME/CFS FM) live improved  
lives through universal access to evidence-informed, precision medicine.*



**Bateman Horne Center**

RESEARCH | CLINICAL CARE | EDUCATION



## A Letter from Dr. Bateman

The Bateman Horne Center (BHC) leapt into the future thanks to a generous donation in the fall of 2015 that transitioned my private practice, Fatigue Consultation Clinic, and the small nonprofit OFFER into an expanded and rebranded nonprofit with a powerful mission and a national footprint. Many small and medium donors have since supported our efforts to empower patients, advance research, and improve clinical care for all impacted by Myalgic Encephalomyelitis/Chronic Fatigue Syndrome and Fibromyalgia (ME/CFS and FM).

As 2017 came to a close, other generous donations enabled BHC to increase our educational offerings to medical providers and patients and their advocates. Our unique value proposition is to mainstream these illnesses through education based on our research and clinical collaborations. Our growth and successes have been substantial, but there is still much more to do.

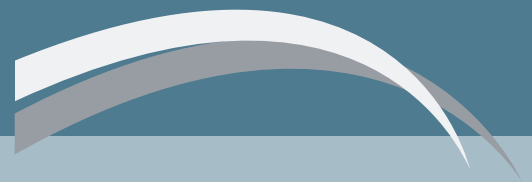
We continue to envision a world where patients with ME/CFS and FM are readily diagnosed, effectively treated, and widely met with empathy and understanding. To accomplish this goal, we are working diligently to accelerate research that will lead to objective tests and biomarkers, and to improve the clinical landscape for patients by delivering high quality medical education to clinical providers. We are expanding our educational offerings with current technology to reach beyond the borders of our clinic. We invite all interested people to explore these resources.

Our forward progress will be substantial and methodical, limited only by the financial resources needed to make it happen! Thank you for your support, now and in the future.

A handwritten signature in black ink, appearing to read 'Lucinda Bateman'.

Lucinda Bateman, MD  
Founder and Medical Director  
Bateman Horne Center

**“We continue to envision a world where patients with ME/CFS and Fibromyalgia are readily diagnosed, effectively treated, and widely met with empathy and understanding.”**



## Advances in Research

- Hired Suzanne D. Vernon, Ph.D. as full time Research Director
- Awarded NIH grants as Collaborative Research Center partnering with The Jackson Laboratory for Genomic Medicine and Columbia University
- Selected to conduct clinical trial for a new ME/CFS drug
- Completed 4th year of CDC multi-site study
- Solve ME/CFS Research Advisory Council participation
- Ongoing pharma studies for Fibromyalgia treatments
- Selected as a provider site for the Precision Medicine Initiative



## Clinical Care Summary

- Expanded provider and support team
- Attended to over 1,800 patient visits
- Improved patient review and referral process to assure every inquiry has a resource pathway

## Educational Programming

- Launched a six-part patient class series on how to recognize and manage aspects of ME/CFS and FM
- Developed and led a medical provider CME course sponsored by the Utah Medical Association to teach ME/CFS diagnostic criteria
- Launched a course designed to help patients effectively and efficiently interface with their primary care physician
- Co-hosted viewings of “Unrest” and led panel discussions
- Hosted live-streamed monthly education lectures to thousands worldwide
- Continued monthly peer support Lunch & Learn program



## Operational Overview

- Hired Development and Communications Director
- Executed successful 2017 donor year-end fundraising campaign
- Received underwriting for development and educational programs
- Completed successful financial audit for 2016

# Trending Now in 2018

- Hosted first of its kind ME/CFS clinicians summit of leading expert medical providers to drive collaboration, gather clinical pearls and refine research targets
- Appointed (Bateman) to NIH CFSAC committee and as chair of the medical education sub-committee
- Received in-kind donation to video-record ME/CFS and FM educational classes for virtual distribution
- Conducted additional four-hour physician CME
- Presented “ME/CFS Invisible in Plain Sight” at nationally recognized multiple disciplinary scientific conference, “Spring Brain”
- Educated University of Utah faculty, family medicine residents and physician assistants how to diagnose ME/CFS
- Hired new physician to increase clinical capacity



- Presented at the 1st Canadian Collaborative Team Conference addressing international research on ME/CFS priorities
- Co-hosted Millions Missing event for International ME/CFS Awareness Day on May 12
- Increased collaboration with University of Utah medical community including community physician group and advanced physician education opportunities

## 2018 In the Queue

- Launching NIH-funded grant collaborations
- Developing ECHO provider education collaboration with the University of Utah
- Expanding lab to increase clinical and research capabilities with addition of flow cytometry technology
- Commencing experimental drug trial for ME/CFS





# Preparing for Major Growth




The BHC Board is comprised of an incredible group of highly dedicated, compassionate individuals who are committed in advancing BHC to help those with ME/CFS and FM. Composed largely of patients and caregivers, the board collectively has insight into all aspects of these illnesses and understands the challenges they present. 2017 was full of promising progress and change.

BHC continued to build capacity in service delivery, research projects, and educational offerings. We also hired expertise to create a development and grant program to support our ability to grow and deliver on our mission.

The Board, along with Drs. Bateman and Vernon, Mr. Ence, and the rest of the BHC staff, have high expectations for 2018. We are excited to build a more comprehensive infrastructure, recruit new talent, create new programs, explore new research opportunities, and increase our development efforts in 2018.

As our journey to mainstream ME/CFS and FM in the medical and research communities continue, please support us!



*Mary S. Rominger*

Mary Sue Rominger  
Chair, BHC Board of Directors

## Board of Directors

Mary Sue Rominger, Chair

Ted Kaly, Vice Chair

Veldon Sorensen, Treasurer

Angela Linford, Secretary

Peggy Allen, MS, NP

Lucinda Bateman, MD

Dave Mason

Akiko Okifuji, PhD

Jessica Turner

## Executive Director

Rob Ence, MBA

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[www.BatemanHorneCenter.org](http://www.BatemanHorneCenter.org)

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**Bateman Horne Center**  
RESEARCH | CLINICAL CARE | EDUCATION  
The Bateman Horne Center of Excellence

**Financial Statements**  
As of December 31, 2016 and for the Year Then Ended

**Together with Independent Auditors' Report**



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## INDEPENDENT AUDITORS' REPORT

### To the Board of Directors The Bateman Horne Center of Excellence

We have audited the accompanying financial statements of The Bateman Horne Center of Excellence (the Organization) (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2016, the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial position of The Bateman Horne Center of Excellence as of December 31, 2016, and the changes in its net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

### Restatement of the 2015 Financial Statement

As discussed in Note 3 to the financial statements, an error resulting in misstatements of amounts previously reported as of December 31, 2015 was identified. Accordingly, the beginning net assets as of January 1, 2016, presented in the accompanying financial statements, have been adjusted to reflect the restatement of the December 31, 2015 balance. Our opinion on the 2016 financial statements is not modified with respect to this matter.

*Tanner LLC*

October 31, 2017



The Bateman Horne Center of Excellence  
Statement of Financial Position

As of December 31, 2016

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**Assets**

Cash	\$	952,520
Investments		49,455
Accounts receivable, net of allowance for contractual adjustments and bad debt of \$19,934		97,022
Prepaid expenses and other		33,542
Property and equipment, net		<u>147,524</u>
Total assets	\$	<u>1,280,063</u>

**Liabilities and Net Assets**

Liabilities:		
Accounts payable	\$	13,975
Accrued liabilities		145,652
Related party note payable		<u>102,777</u>
Total liabilities		<u>262,404</u>
Commitments and contingencies		
Net assets:		
Unrestricted		926,796
Temporarily restricted		<u>90,863</u>
Total net assets		<u>1,017,659</u>
Total liabilities and net assets	\$	<u>1,280,063</u>





The Bateman Horne Center of Excellence  
Statement of Activities

For the Year Ended December 31, 2016

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**Change in unrestricted net assets:**

Revenues, gains, and support:

Research income	\$ 545,795
Clinic income, net of contractual adjustments	270,286
Contributions	1,120,962
Other income and expenses, net	<u>(5,534)</u>
Total revenues, gains, and support	1,931,509
Net assets released from restrictions	<u>109,774</u>
Total revenues, gains, support, and reclassification	<u>2,041,283</u>

Research expenses	402,306
Clinic expenses	510,684
Supporting expenses:	
Management and general	404,573
Fundraising	<u>9,266</u>
Total expenses	<u>1,326,829</u>
Increase in unrestricted net assets	<u>714,454</u>

**Change in temporarily restricted net assets:**

Contributions	90,863
Net assets released from restrictions	<u>(109,774)</u>
Decrease in temporarily restricted net assets	<u>(18,911)</u>
Increase in net assets	695,543
Net assets, beginning of the year (as restated)	<u>322,116</u>
Net assets, end of the year	<u>\$ 1,017,659</u>



The Bateman Horne Center of Excellence  
Statement of Cash Flows

For the Year Ended December 31, 2016

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**Cash flows from operating activities:**

Increase in net assets	\$ 695,543
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation and amortization	7,867
Loss on disposal of property and equipment	167
In-kind contributions of common stock	(59,441)
Decrease (increase) in:	
Accounts receivable	18,623
Prepaid expenses	(27,294)
Increase (decrease) in:	
Accounts payable	8,536
Accrued liabilities	129,946
Net cash provided by operating activities	<u>773,947</u>

**Cash flows from investing activities:**

Net change in investments	119,760
Purchases of property and equipment	<u>(153,601)</u>
Net cash used in investing activities	<u>(33,841)</u>

**Cash flows from financing activities:**

Increase in related party note payable	149,000
Payments on related party note payable	<u>(46,616)</u>
Net cash provided by financing activities	<u>102,384</u>
Net increase in cash	842,490

Cash at beginning of the year 110,030

Cash at end of the year \$ 952,520

**Supplemental disclosure of cash flow information:**

Cash paid for interest \$ 832

**Supplemental disclosure of non cash investing and financing activities:**

Contributions of common stock \$ 59,441