

Financial Management Philosophy Statement

The Michael J. Fox Foundation for Parkinson's Research (MJFF) exists to accelerate Parkinson's drug development. This is the strong philosophical underpinning which focuses our organization and our work. As such, since our founding in 2000, we have made over \$1 billion in grants and investments to ensure progress toward new therapies, and ultimately a cure, for the six million people worldwide living with Parkinson's disease.

At MJFF, our program portfolio seeks to advance an expansive set of opportunities we see globally. We believe it is the obligation of our philanthropic capital to leverage basic research funding by rapidly chaperoning breakthroughs through translation into patient-relevant therapeutics. As always, we work to achieve these goals by funding high-risk, high-reward research, as well as furnishing a wide repository of tools and resources required by the entire field to speed knowledge turns and discover and test more treatments faster.

Funds for the execution of our programs are derived from generous contributions made from individual donors, corporate partners and grassroots community efforts. Fundamentally, our goal is to spend every dollar raised and we allocate each gift within a few months of receiving the gift. Therefore, with deliberate intention, we hold no endowment or excessive financial reserves — this enables us to quickly push research to the next level quickly and efficiently.

However, the process for spending everything the Foundation raises may or may not be contained to a single calendar year. For instance, because our revenues are seasonal, it is more common than not for a large percentage of our annual revenue to be received in November and December and carried over into the subsequent year's financial report as unrestricted net assets — this includes our operating financial reserves, but also funds that are in the process of being issued in grants.

We enter each new year investing any surplus from the previous year to new research programs, along with whatever funds we can raise as part of our annual plan. This could result in some years (e.g., 2018, 2017, 2014) where we do, in fact, spend more than we raise. This is intentional. We ask that as you review our financial statements on our website and on other charity watchdog sites, please keep this intentionality in mind. To gain a more holistic view of our financial management approach, we recommend you look at several years' statements together.

MJFF maintains a 4-star rating from Charity Navigator and is recognized with a Platinum Seal of Transparency by GuideStar for voluntarily and publicly sharing information on our financial and program progress and results.

To that end, we are proud of the work we do daily to steward donations wisely, and we keep a tight rein on expenses, running a lean and effective organization. Since inception, 88 cents of every dollar have gone directly to research programs.