



ANNUAL REPORT 2015

PARTNERSHIP FOR
clean competition

TABLE OF CONTENTS

3	A Message from the PCC
4	Board of Governors
5	Staff and Officers
6	Scientific Advisory Board
8	A Year in Review
14	Financial Overview

A MESSAGE FROM THE PCC

Dear PCC Stakeholders,

As the PCC moves towards its tenth year of funding grants, we are proud to share a number of successes from this past year. 2015 saw more than \$2M USD awarded to anti-doping researchers across 14 novel projects. These projects, as well as those funded in prior years, led to numerous publications and presentations in a variety of different peer-review journals and at quite a few conferences, including at the relaunched PCC Conference, which took place in April at Major League Baseball Headquarters in New York City.

2015 also marked an unprecedented expansion in the PCC's influence on the global anti-doping movement.

The PCC has always benefited from strong partnerships across the global anti-doping research ecosystem, working with and connecting top-tier universities, WADA-accredited laboratories, sporting organizations, training partners, and the private sector. In 2015, the PCC entered into a joint partnership with the World Anti-Doping Agency to create a collaborative research fund totaling \$6M USD. The multi-year partnership solidifies the PCC's role as a leader in anti-doping research for all sports at all levels of play.

The PCC Conference also returned in 2015 and was a resounding success. The largest in PCC history, the 2015 conference enabled the PCC to mobilize a community of innovators and ambassadors passionate about the integrity of sport for the benefit of all athletes. The conference welcomed more than 100 attendees and furthered our mission to be a focal point for the advancement of anti-doping knowledge.

Finally, the PCC's commitment to the future of anti-doping research was furthered by our investment in a new PCC Fellow, Dr. Geoff Miller at the WADA-accredited Sports Medicine Research & Testing Laboratory (SMRTL) in Utah. Under the guidance of SMRTL Director Dr. Daniel Eichner, Dr. Miller's fellowship will provide the knowledge and support necessary to provide him a career track in the anti-doping domain.

As we look towards 2016 and beyond, the PCC is excited to remain at the forefront of the fight against doping. We look forward to sharing many more accomplishments in the years ahead.

Sincerely,
Michael Pearlmutter

"The largest in PCC history, the 2015 conference enabled the PCC to mobilize a community of innovators and ambassadors passionate about the integrity of sport for the benefit of all athletes."

BOARD OF GOVERNORS



**Nina
Kempell**

UNITED STATES
OLYMPIC COMMITTEE

Ms Kempell has served as a member of the USOC's Board of Directors since 2011. A four-time Olympian in the sport of cross country skiing, she has been a long time advocate against doping in sport. She recently served three years on the World Anti-Doping Agency's Athlete Committee, representing the views and rights of athletes worldwide. From 2005 to 2008, she worked directly with the U.S. Anti-Doping Agency and championed the USOC's initial Safe Sport initiative while serving as the USOC Athlete Advisory Committee Vice-Chair of the Anti-Doping Committee. She is currently the President and CEO of the Alaska Community Foundation in Anchorage, Alaska.



**Dan
Halem**

MAJOR
LEAGUE BASEBALL

Major League Baseball's Chief Legal Officer, Mr. Halem works closely with club management officials and helps direct the administration of the revenue sharing system, the debt-service rule, the competitive balance tax, the salary arbitration system, and the amateur draft support program. Mr. Halem plays a key role in all collective bargaining issues with the MLB Players Association, including the 2011 Joint Drug Prevention and Treatment Program. Mr. Halem also represented and counseled the National Basketball Association, the Women's National Basketball Association, the National Hockey League, and the New York Jets of the National Football League prior to joining MLB. Mr. Halem graduated from Cornell University's School of Industrial and Labor Relations in 1988 and from Harvard Law School, magna cum laude, in 1991.



**Travis
Tygart**

UNITED STATES
ANTI-DOPING AGENCY

CEO of the U.S. Anti-Doping Agency, Tygart oversees all operations related to the education, testing, and results management process for the U.S. Olympic movements. Tygart has served as an advocate for the integrity of sport and clean athletes, testifying in front of the U.S. Congress, German Parliament, and the French Senate on policy and issues surrounding doping in sport. Under Tygart's leadership, USADA's efforts to protect clean athletes have included cooperating with Federal authorities on numerous investigations, including the international steroid bust, Operation Raw Deal, and the international doping conspiracy involving the BALCO laboratory in San Francisco. Tygart also lead the investigation into the US Postal Service Pro Cycling Team and the Lance Armstrong case.



**Adolpho
Birch III**

NATIONAL
FOOTBALL LEAGUE

Senior Vice President of Law & Labor Policy for the National Football League, Birch oversees the development, administration, and enforcement of the League's critical policies respecting the integrity of the game, including those on substances of abuse, performance-enhancing drugs, gambling, and criminal misconduct, as well as the League's government affairs efforts, directing the League's strategy to advance it's legislative, regulatory, and political interests on the federal, state, and local levels.

STAFF & OFFICERS



**Michael
Pearlmutter**

EXECUTIVE
DIRECTOR

Michael Pearlmutter was named Executive Director for the Partnership for Clean Competition Research Collaborative in January 2014. In this role, Pearlmutter is responsible for developing, directing, and driving organizational strategy and overseeing daily operations, including managing the organization's \$3M budget, fundraising, business development, grant administration, scientific outreach, and communication with the PCC Board of Governors and Scientific Advisory Board.



**Christopher
McCleary**

UNITED STATES
OLYMPIC COMMITTEE

In his current role as the general counsel for the United States Olympic Committee, Mr. McCleary is responsible for all legal issues faced by the organization and all necessary functions as corporate secretary for the USOC Board of Directors. Additionally, he serves as the organization's ethics officer, coordinating with the USOC Ethics Committee, and oversees the USOC's partnerships with the World Anti-Doping Agency, U.S. Anti-Doping Agency, and Partnership for Clean Competition. McCleary joined the USOC from Visa Inc., where he served eight years as the senior vice president and senior associate general counsel of global brand and client management, in which he led the company's worldwide legal operations in marketing, sponsorships, intellectual property, and client licensing.



**Kevin
Manara**

NATIONAL
FOOTBALL LEAGUE

Labor Relations Counsel for the NFL, Manara is responsible for the administration and enforcement of the League's policies on performance-enhancing substances, personal conduct, and substances of abuse, representing NFL clubs in grievances filed by players under the NFL Collective Bargaining Agreement and advising clubs on a variety of contractual, disciplinary, and other labor-related matters.

SCIENTIFIC ADVISORY BOARD



LARRY BOWERS, PH.D.

As USADA's Chief Science Officer, Dr. Bowers provides leadership and scientific support for USADA's research sample collection planning, results management, arbitration, and education programs and the prestigious USADA Annual Symposium. Past Associate Editor (Drug Testing and Toxicology) for the journal, *Clinical Chemistry*, Dr. Bowers was the deputy director of the Athletic Drug Testing Laboratory for the 1996 Olympic Games, and has served on several scientific organizations Board of Directors. Dr. Bowers is currently a member of the World Anti-Doping Agency (WADA) Laboratory Accreditation Working Group.



BRYAN S. FINKLE, PH.D.

Former Director of the Center for Human Toxicology at the University of Utah, and the Department of Pharmacology Sciences at Genentech, Inc. South San Francisco, Dr. Finkle is Chief Consulting Toxicologist to the National Football League, consultant to the World and U.S. Anti-Doping Agencies, President and Chairman of the Board for the Sports Medicine Research and Testing Laboratory, and serves on the Board of the NFL Health Foundation.



GERHARD BAUMANN, M.D.

Past Chief of Endocrinology and Metabolism at the Veterans Administration Lakeside Medical Center and the Associate Director of the Northwestern University General Clinical Research Center, Dr. Baumann is a Professor of Medicine Emeritus at Northwestern University. Dr. Baumann discovered the growth hormone binding protein, the circulating ectodomain, of the growth hormone receptor.



GARY GREEN, M.D.

Gary Green, MD, was appointed Medical Director for Major League Baseball in 2010 and has served as MLB's consultant on anabolic steroids and performance-enhancing substances since 2003. A fellow in the American College of Physicians and American College of Sports Medicine and a Clinical professor in the UCLA School of Medicine in the Division of Sports Medicine, Dr. Green serves as a team physician for Pepperdine University and the US National Soccer Team. He is also on review boards for USADA for adverse analytical findings and therapeutic use exemptions.



ALVIN M. MATSUMOTO, M.D.

Dr. Matsumoto is a Professor of Medicine in the Division of Gerontology & Geriatric Medicine at the University of Washington, School of Medicine in Seattle. He is Director of the Clinical Research Unit, Associate Director of the Geriatric Research, Education & Clinical Center, Acting Chief of the Gerontology Section and an Attending Physician in Internal Medicine, Geriatric Medicine and Endocrinology & Metabolism at the Department of Veterans Affairs Puget Sound Health Care System. He is Chair of the Laureate Awards Committee of The Endocrine Society, Co-Chair of the Partnership for the Accurate Testing of Hormones (PATH), serves as an Editor for the *Journal of Clinical Endocrinology & Metabolism* and has served on USADA's Research Policy Advisory Committee.

SCIENTIFIC ADVISORY BOARD



MICHAEL M. SAWKA, PH.D.

Chief Scientific Officer of Environmental Physiology and Hydration Consulting, Professor of Applied Physiology at Georgia Institute of Technology and past Chief of Thermal and Mountain Medicine at the US Army Research Institute of Environmental Medicine, Dr. Sawka is an expert in environmental physiology (heat, cold, high-altitude), fluid/ electrolyte balance, exercise physiology and rehabilitation medicine.



LAWRENCE SILVERMAN, PH.D.

Professor of Pathology and Public Health Genomics and Director of the Molecular Diagnostics, Clinical Genomics and Immunology Laboratories at the University of Virginia, Dr. Silverman is also past Director of the Division of Molecular Pathology and past Director of the Immunochemistry/Molecular Genetics Laboratory at the University of North Carolina Hospitals. Dr. Silverman is a diplomate of the American Board of Clinical Chemistry and a Fellow of the American College of Medical Genetics.



JOHN YATES III, PH.D.

The Ernest W. Hahn Professor in the Department of Chemical Physiology and Molecular & Cellular Neurobiology at The Scripps Research Institute, Dr. Yates is the lead inventor of the SEQUEST software for correlating tandem mass spectrometry data to sequences in the database and developer of the shotgun proteomics technique for analysis of protein mixtures. Dr. Yates was ranked by Citation Impact, Science Watch as one of the Top 100 Chemists for the decade, 2000-2010. Dr. Yates is the Editor in Chief at the Journal of Proteome Research.



STEVE ELLIOT, PH.D.

Recently retired from his Scientific Executive Director Position at Amgen, where he had worked since 1983, he continues to work in conjunction with the antidoping movement. During his early years at the company, he performed structure-function studies on erythropoietin and the erythropoietin receptor and is the inventor of Aranesp, a re-engineered analog of rHuEpo with a longer serum half-life. His discoveries played a key role in three crosscountry skiers being stripped of their gold medals and suspended from competition for two years following the 2002 Olympic Winter Games.



ANETTE SALMEEN, PH.D.

Dr. Salmeen, D.Phil., was a 1996 Olympian and gold medalist. She served as an athlete's representative for the USA Swimming national governing body from 1996 to 2005. In 2005, she was elected as an athlete member of the U.S. Anti-Doping Agency Board of Directors and served until 2012. She was a member of the USADA board research committee and was also involved with efforts to support athlete education and the USADA True Sport initiative. She earned her doctoral degree in Biochemistry as a Rhodes Scholar at Oxford in 2001 and studied growth factor signalling pathways as a post-doctoral fellow in the Chemical and Systems Biology department at Stanford. She is currently a lecturer in the Human Biology Program at Stanford.



2015

A YEAR IN REVIEW

2015 AT A GLANCE

2

Scientific Advisory Board Members added, bringing total members to 10

40

Applications received

14

Principle investigators, 11 of whom were first time awardees

35%

Overall funding percentage, in comparison to an organizational average of 28%

50%

Percentage of grant awards with WADA-accredited laboratory affiliation

\$148,008

Average award, with awards ranging from \$41,815 to \$244,830

\$2,072,108

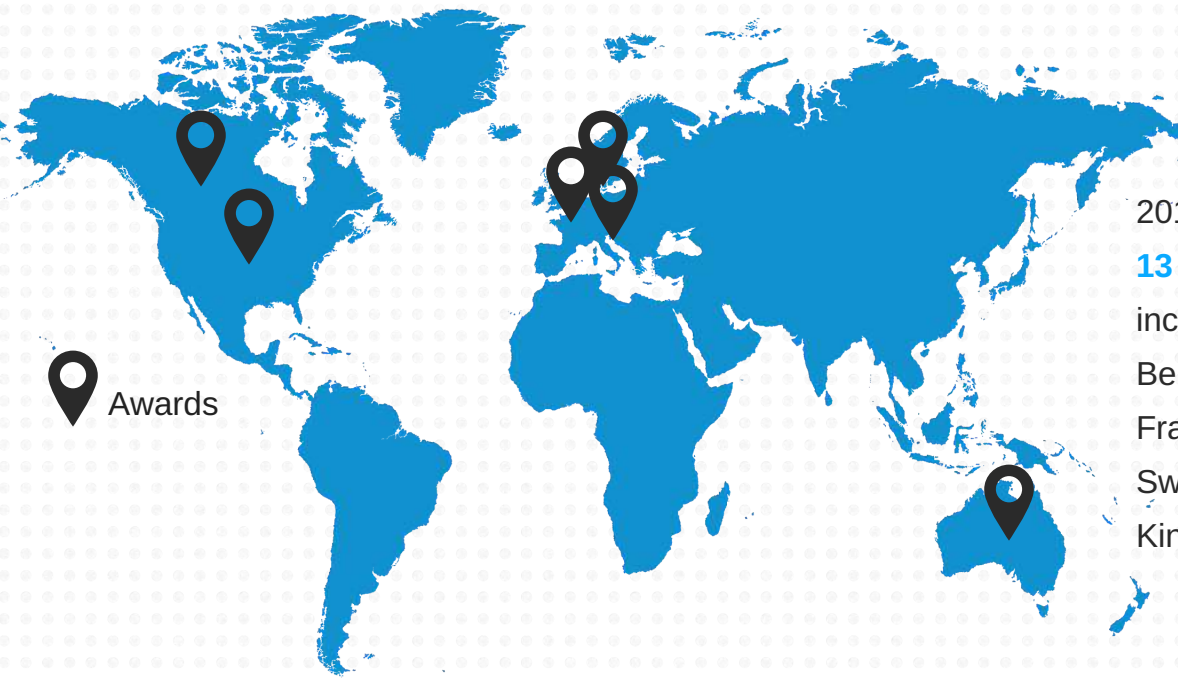
Total awarded in USD, representing 13% of total PCC award dollars since 2008

2015 FACTS & FIGURES

Global Reach



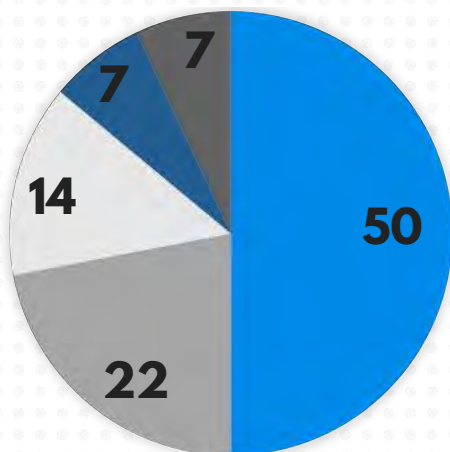
64% of grants awarded to international principle investigators



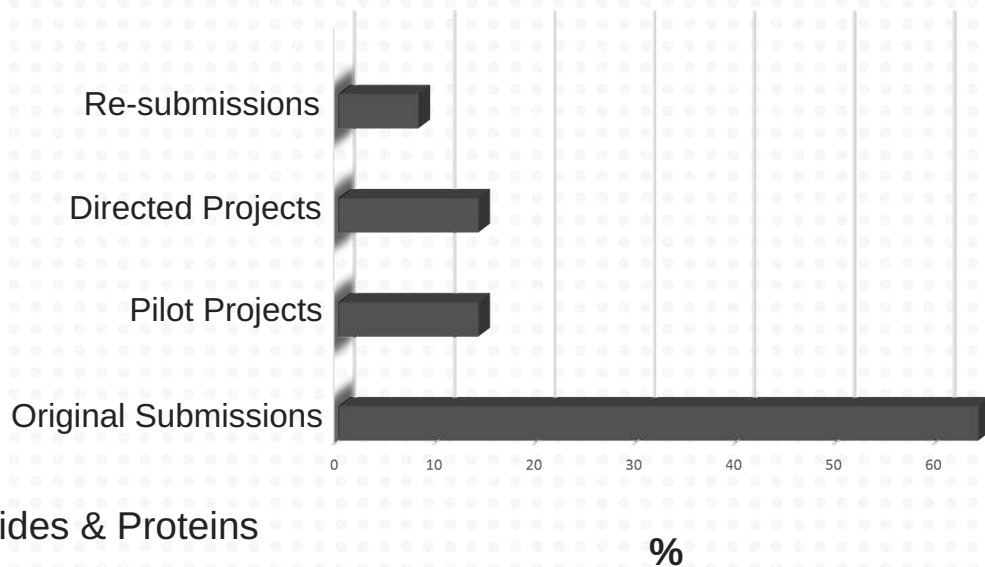
2015 applications represented **13** countries including: Australia, Austria, Belgium, Canada, Denmark, France, Germany, Ireland, Italy, Sweden, Switzerland, the United Kingdom, and the United States



Project Types (%)



Application Types (%)



Grants Approved

A dried plasma spot DPS card for automated LCMS drug analysis of micro blood samples.

\$164,275 to Dr. Jack Henion at Q2 Technologies, United States

A new method for detecting androgenic steroid doping by female athletes.

\$121,440 to Dr. Eleftherios Diamandis at ACDC lab; Mount Sinai Hospital Toronto, Canada

Comprehensive detection of doping agents by GC-CI-MS/MS.

\$120,000 to Dr. Peter Van Eenoo at the Doping Control Laboratory; University of Ghent, Belgium

Cryogenic-Focusing fast gas chromatography combustion isotope ratio mass spectrometry.

\$156,512 to Dr. Herbert Tobias at Cornell University, United States

Detection of autologous blood transfusion by metabolomics.

\$223,247 to Dr. Nikolai Nordsborg at the University of Copenhagen, Denmark

Detection of erythropoietin stimulation agenda HIF stabilizers and GATA inhibitors as doping agents.

\$85,000 to Dr. Lore Geldof at the Doping Control Laboratory; University of Ghent, Belgium

Detection of microdosed recombinant erythropoietin by optimized SAR-PAGE.

\$41,815 to Dr. Christian Reichel at the Seibersdorf Labor GmbH Doping Control Laboratory, Germany

Developing a detection signature for current and prior follistatin gene doping.

\$120,000 to Dr. Paul Gregorevic at the Baker IDI and Diabetes Institute, Australia

Electrophoretic screening for autologous blood transfusions.

\$244,830 to Dr. Chris Harrison at San Diego State University, United States

Hematological passport using dried blood spots.

\$44,574 to Dr. Daniel Eichner at the Sports Medicine Research & Testing Laboratory, United States

Ion mobility-mass spectrometry for improved analysis of exogenous anabolic steroids.

\$141,143 to Dr. Richard Yost at the University of Florida, United States

Production of a certified reference material to support GC-C-IRMS confirmation of adverse analytical findings for synthetic forms of endogenous anabolic androgenic steroids.

\$179,436 to Dr. Paul Armishaw at the National Measurement Institute, Australia

Pushing the boundaries of the ABP using altitude training and intravenous iron supplementation.

\$199,836 to Dr. Laura Garvican-Lewis at the Australian Institute of Sport, Australia

The provision of steroid metabolite CRMs and internal standards in support of the Athlete Biological Passport steroid module.

\$230,000 to Dr. Stephen Davies at the National Measurement Institute, Australia



2015 Publications

Chambers, A, Percy, A, Yang, J, Borchers, C. Multiple Reaction Monitoring Enables Precise Quantification of 97 Proteins in Dried Blood Spots. *Molecular & Cellular Proteomics*. 14: 3094-3104. DOI: 10.1074/mcp.O115.049957, 2015.

Elbe, A., Jensen, N., Elsborg, P., Wetzke, M., Woldemariam, G., Huppertz, B., Keller, R., Butch, A. The Urine Marker Test: An Alternative Approach to Supervised Urine Collection for Doping Control. [published online Sept. 29, 2015]. *Sports Medicine*. 46 (1): 15-22. DOI 10.1007/s40279-015-0388-6, 2016.

Grau, M., Friederichs, P., Krehan, S., Koliymitra, C., Suhr, F., Bloch, W. Decrease in red blood cell deformability is associated with a reduction in RBC-NOS activation during storage. *Clinical Hemorheology and Microcirculation*. 60 (2): 215-229. DOI: 10.3233/CH-141850, 2015.

Görgens, C., Guddat, S., Dib, J., Geyer, H., Schänzer, W., and Thevis, M. Mildronate (Meldonium) in professional sports – monitoring doping control urine samples using hydrophilic interaction liquid chromatography – high resolution/high accuracy mass spectrometry. *Drug Test. Analysis*. 7: 973–979. DOI: 10.1002/dta.1788, 2015.

Sivanesan, A., Izake, E., Agoston, R., Ayoko, G., Sillence, M. Reproducible and label-free biosensor for the selective extraction and rapid detection of proteins in biological fluids. *Journal of Nanobiotechnology*. 13 (1): 1, 2015.

Sturm, R., Henion, J., Abbot, R., Wang, P. Novel membrane devices and their potential utility in blood sample collection prior to analysis of dried plasma spots. *Bioanalysis*. 7 (16):1987-2002. DOI 10.4155/bio.15.98, 2015.

Van Gansbeke, W., Polet, M., Hooghe, F., Devos, C., Van Eenoo, P. Improved sensitivity by use of gas chromatography-positive chemical ionization triple quadrupole mass spectrometry for the analysis of drug related substances. *Journal of Chromatography. B* (1001): 221-40, 2015.

Verplaetse, R., and Henion, J. Quantitative determination of opioids in whole blood using fully automated dried blood spot desorption coupled to on-line SPE-LC-MS/MS. [published online Nov. 26, 2015]. *Drug Test. Analysis*. 8: 30–38. DOI: 10.1002/dta.1927, 2016.



2015

Presentations

Bowers, L. 2014 in Review: A Look at Anti-Doping. 2015 Partnership for Clean Competition Conference. April 2015. New York, USA.

Cowan, D. Recent Breakthroughs in Detecting Human Growth Hormone Administration. 2015 Partnership for Clean Competition Conference. April 2015. New York, USA.

Cowan, D. Towards quantifying PIINP in human serum by LC-MS: identifying suitable surrogate peptides. Analytical and Environmental Sciences Division Symposium, King's College London. 2015. London, UK.

Eichner, A. Dietary Supplements: The more things change, the more they stay the same. 2015 Partnership for Clean Competition Conference. April 2015. New York, USA.

Fedoruk, M. Protecting Clean Sport Using the Athlete Biological Passport. 2015 Partnership for Clean Competition Conference. April 2015. New York, USA.

Green, G. Implementing Growth Hormone Research. 2015 Partnership for Clean Competition Conference. April 2015. New York, USA.

Paternoster, R. Perceptual Deterrence and Compliance With Rules. 2015 Partnership for Clean Competition Conference. April 2015. New York, USA.

Polet, M., Van Gansbeke, W., F. Hooghe and Van Eenoo, P. Improved sensitivity by using chemical ionization GC-MS/MS. 33rd Cologne workshop on Dope Analysis. March 2015. Cologne, Germany.

Woldemariam, G. Immunoextraction–Tandem Mass Spectrometry Method for Measuring Intact Human Chorionic Gonadotropin, Free β -Subunit, and β -Subunit Core Fragment in Urine. 2015 Partnership for Clean Competition Conference. April 2015. New York, USA.



2015

FINANCIAL OVERVIEW



Financial Statements and Report of Independent
Certified Public Accountants

**Partnership for Clean Competition
Research Collaborative**

December 31, 2015 and 2014

Contents

	Page
Report of Independent Certified Public Accountants	2
Statements of financial position	4
Statements of activities	5
Statements of cash flows	6
Notes to financial statements	7



Report of Independent Certified Public Accountants

Grant Thornton LLP
1801 California Street, Suite 3700
Denver, CO 80202
T 303.813.4000
F 303.839.5711
www.GrantThornton.com

The Board of Governors of the
Partnership for Clean Competition Research Collaborative:

We have audited the accompanying financial statements of the Partnership for Clean Competition Research Collaborative ("PCC"), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities and cash flows for the years 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 these 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.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 auditor's 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 auditor considers 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 present fairly, in all material respects, the financial position of the Partnership for Clean Competition Research Collaborative as of December 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

GRANT THORNTON LLP

Denver, Colorado
September 15, 2016

Statements of financial position

	As of December 31,	
	2015	2014
Assets		
Cash and cash equivalents	\$ 5,347,096	\$ 6,237,601
Restricted cash	2,000,000	-
Pledges receivable, net	100,000	196,852
Prepaid expenses	25,742	13,919
Software, net	139,825	91,485
Total assets	<u>\$ 7,612,663</u>	<u>\$ 6,539,857</u>
Liabilities and net assets		
Liabilities		
Accounts payable and accrued liabilities	\$ 43,550	\$ 60,127
Grants payable	809,450	137,668
Total liabilities	<u>853,000</u>	<u>197,795</u>
Net assets		
Unrestricted	6,159,663	6,145,210
Temporarily restricted	600,000	196,852
Total net assets	<u>6,759,663</u>	<u>6,342,062</u>
Total liabilities and net assets	<u>\$ 7,612,663</u>	<u>\$ 6,539,857</u>

The accompanying notes are an integral part of these financial statements.

Statements of activities

	Year ended December 31, 2015			Year ended December 31, 2014		
	Unrestricted	Temporarily restricted	Total	Unrestricted	Temporarily restricted	Total
Support and revenue						
Contributions	\$ 2,503,148	\$ 500,000	\$ 3,003,148	\$ 2,507,245	\$ -	\$ 2,507,245
Other	16,042	-	16,042	-	-	-
Net assets released from restrictions	96,852	(96,852)	-	392,756	(392,756)	-
Total support and revenue	2,616,042	403,148	3,019,190	2,900,001	(392,756)	2,507,245
Expenses						
Program services						
Anti-doping research	2,355,232	-	2,355,232	3,510,982	-	3,510,982
Total program services	2,355,232	-	2,355,232	3,510,982	-	3,510,982
Supporting services						
Fundraising	16,992	-	16,992	22,423	-	22,423
General and administrative	229,365	-	229,365	255,674	-	255,674
Loss on disposal of assets	-	-	-	195,914	-	195,914
Total supporting services	246,357	-	246,357	474,011	-	474,011
Total expenses	2,601,589	-	2,601,589	3,984,993	-	3,984,993
Changes in net assets	14,453	403,148	417,601	(1,084,992)	(392,756)	(1,477,748)
Net assets, beginning of period	6,145,210	196,852	6,342,062	7,230,202	589,608	7,819,810
Net assets, end of period	\$ 6,159,663	\$ 600,000	\$ 6,759,663	\$ 6,145,210	\$ 196,852	\$ 6,342,062

The accompanying notes are an integral part of these financial statements.

Statements of cash flows

	Years ended December 31,	
	2015	2014
Operating activities		
Change in net assets	\$ 417,601	\$ (1,477,748)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities		
Loss on disposal of assets	-	195,914
Amortization	29,660	43,998
Changes in assets and liabilities		
Decrease in pledges receivable	96,852	392,756
Increase in prepaid expenses	(11,823)	(11,165)
(Decrease) increase in accounts payable and accrued liabilities	(16,577)	27,061
Increase (decrease) in grants payable	671,782	(158,974)
Net cash provided by (used in) operating activities	<u>1,187,495</u>	<u>(988,158)</u>
Investing activities		
Change in restricted cash	(2,000,000)	-
Purchase of software	(78,000)	(96,300)
Net cash used in investing activities	<u>(2,078,000)</u>	<u>(96,300)</u>
Net decrease in cash and cash equivalents	(890,505)	(1,084,458)
Cash and cash equivalents, beginning of year	6,237,601	7,322,059
Cash and cash equivalents, end of year	<u>\$ 5,347,096</u>	<u>\$ 6,237,601</u>

The accompanying notes are an integral part of these financial statements.

Notes to financial statements

Note A – Summary of significant accounting policies

Organization

The Partnership for Clean Competition Research Collaborative (“PCC”) was established on February 21, 2008 as a not-for-profit organization established under IRC Section 501(c)(3) with the United States Olympic Committee (“USOC”) as the sole IRC Section 501(c)(3) member. PCC’s mission is to protect the integrity of sport and public health by engaging and supporting the world’s top scientists and innovators in high-quality anti-doping research and development. By combining the resources and expertise of America’s leading sports entities, the PCC supports non-partisan and independent scientific research by fundraising and making targeted grants to various universities and other world-class research institutions. This independent research primarily focuses on developing more effective tests for performance-enhancing substances, the societal causes of doping, and non-test based methods to decrease doping and performance-enhancing drug use across all levels of athletic participation and competition, from the casual youth sports participant to the elite amateur and professional athlete. The PCC also facilitates adoption of these methods into the World Anti-Doping Agency accredited laboratories.

The PCC is governed under the direction of a Board of Governors consisting of three constituent classes of members: one class of members is comprised of USOC representatives; one class of members is comprised of representatives from professional sports leagues, unions of professional athletes and/or other individuals that make demonstrated, long-term economic commitments in support of the PCC; the final class of members is comprised of a representative from the United States Anti-Doping Agency.

The PCC board is supported by a Scientific Research Advisory Board, who independently reviews the relative merits of particular research projects and makes recommendations to the Board of Governors as to appropriate areas and subjects for making scientific research grants. This advisory body is comprised of members who are universally-recognized experts in their field or scientific expertise, individuals from academia, individuals from the public health sector and/or individuals who otherwise represent the public interest.

The Executive Director of the PCC oversees the day-to-day administration of the organization and reports directly to the Board of Governors.

December 31, 2015 and 2014

Note A – Summary of significant accounting policies (continued)

Contributions

Contributions represent unconditional cash donations and future pledges of cash donations from the organizations represented on the Board of Governors, as well as donations from the general public. The PCC reports contributions of cash and other assets as temporarily or permanently restricted contributions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the donor stipulations have been met, temporarily restricted net assets are reclassified to unrestricted net assets and reported as net assets released from restrictions in the statement of activities. Contributions of cash and other assets that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as unrestricted.

Unconditional promises to give the PCC cash in the future or over a period spanning multiple years are recorded as temporarily restricted net assets at the estimated fair value when the pledge is made. Fair value is determined by computing the present value of future cash flows discounted at the risk-free interest rate as of the period in which the agreement was received, adjusted for any associated credit risks. As cash donations are received under the pledge, temporarily restricted net assets are reclassified to unrestricted net assets and reported as net assets released from restrictions in the statement of activities.

Cash and cash equivalents

Cash and short term investments with original maturities of three months or less from the date of acquisition are considered cash and cash equivalents. As of December 31, 2015 and 2014, all cash and cash equivalents represent demand deposits.

Restricted cash

Restricted cash of \$2,000,000 and \$0 as of December 31, 2015 and 2014, respectively, consists of cash held in custody of the World Anti-Doping Agency (WADA) that is restricted for funding PCC anti-doping research grants in partnership with WADA.

Pledges receivable

Pledges receivable, net of an annual discount of 3.25%, are deemed fully collectible as of December 31, 2015 and 2014. Pledges are due to be collected over the next year in the following amounts:

	As of December 31, 2015
Year ending December 31, 2016	\$ 100,000
	<u>\$ 100,000</u>

For the years ended December 31, 2015 and 2014, \$3,148 and \$7,245, respectively, of the pledge discount was amortized into contribution revenue. As of December, 31, 2015 and 2014, the unamortized pledge discount was \$0 and \$3,148, respectively.

December 31, 2015 and 2014**Note A – Summary of significant accounting policies (continued)****Software**

Costs of computer software developed or obtained for internal use are recorded in accordance with Accounting Standards Codification (ASC) Topic 350. Under Topic 350, costs incurred during the preliminary project stage are expensed as incurred, costs incurred during the application development stage are capitalized and training and maintenance costs incurred during the post-implementation / operation stage are expensed as incurred. Amortization of software is provided on the straight-line method over an estimate useful life of 5 years.

The PCC disposed of its website and research grant management software in 2014, resulting in a loss on disposal of assets of \$195,914. This loss is recorded as an expense in the statement of activities for the year-ended December 31, 2014. In 2014, the PCC engaged a third party to develop a replacement website and research grant management software. The replacement software cost \$96,300 and was recorded as software in the statement of financial position as of December 31, 2014.

Software is reported net of accumulated amortization of \$34,475 and \$4,815 as of December 31, 2015 and 2014, respectively.

Grants payable

The PCC awards targeted grants to research institutions each year in order to fund independent scientific research projects aimed at increasing detection and prevention of performance-enhancing substance use in professional and amateur sports. The research projects generally extend over a period of one to three years. The liability is recorded as grants payable in the statement of financial position and the associated expense is recorded as drug research expense in the statement of activities when the grant agreements are executed by the PCC.

Federal income taxes

The PCC is exempt from federal and state income taxes on income from activities related to its exempt purposes under IRC Section 501(a) of the Internal Revenue Code as an organization described in IRC Section 501(c)(3). The PCC had no unrelated business income for the periods ended December 31, 2015 and 2014.

Net assets

For financial reporting purposes, resources are classified into net asset categories according to the existence or absence of donor imposed restrictions. Accordingly, net assets of the PCC and changes therein are classified and reported as follows:

- Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.
- Temporarily restricted net assets – Net assets that are subject to donor-imposed stipulations that may or will be met either with actions of the PCC and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

December 31, 2015 and 2014

Note A – Summary of significant accounting policies (continued)

Net assets (continued)

The PCC has adopted the *Uniform Prudent Management of Institutional Funds Act* (“UPMIFA”) passed by the state of Colorado. In accordance with UPMIFA, the PCC appropriates for expenditure or accumulates as much of an endowment fund as the PCC determines is prudent for the uses, benefits, purposes or duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument. As of December 31, 2015 and 2014, the PCC has no board-designated or donor restricted endowment funds.

Functional expenses

The cost of providing supporting services has been summarized on a functional basis in the statement of activities. Certain costs have been allocated among the supporting services benefited based on labor dollars or costs incurred.

Management estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (“GAAP”) requires management to make estimates and assumptions. Such estimates and assumptions affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ significantly from those estimates.

Uncertain tax positions

As required by the uncertain tax position guidance, the PCC recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority. The adoption of this guidance did not have a material effect on the Company’s financial statements.

Recently adopted standards

PCC management has evaluated the most recent framework for measuring fair value and concluded that the PCC does not have assets or liabilities recognized in the financial statements measured at fair value on a recurring basis. Accordingly, management concluded the adoption of related guidance did not have a significant impact on its results of operations, financial position, or note disclosures.

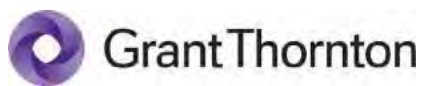
Note B – Service agreement

The PCC has a service agreement with the USOC where the USOC has agreed to make available to the PCC various services including the Executive Director, legal services, accounting services, communications and public relations, information technology and human resources. The PCC is obligated to reimburse the USOC for these services, which have been calculated at the USOC’s cost. The Executive Director’s services are billed to the PCC for actual labor, benefits and payroll tax costs incurred. Legal and accounting services are billed to the PCC at a fixed monthly rate. Information technology, human resources and communication services are reimbursed to the USOC based on an hourly rate for services performed. For the years ended December 31, 2015 and 2014, the amount PCC incurred from the USOC for these services was \$186,179 and \$212,092, respectively.

December 31, 2015 and 2014

Note C – Subsequent events

The PCC has evaluated subsequent events through the date that the financial statements were available to be issued on September 15, 2016. Management was not aware of any subsequent events which would require recognition or disclosure in the financial statements.



© Grant Thornton LLP
All rights reserved
U.S. member firm of Grant Thornton International Ltd

This report is confidential. Unauthorized use of this report in whole or in part is strictly prohibited.

PARTNERSHIP FOR
clean competition

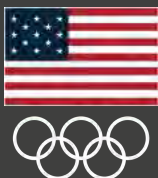
CLEANCOMPETITION.ORG

STAY CONNECTED



/PCCANTIDOPING

FOUNDING PARTNERS



CONTRIBUTORS

