

**ANNUAL REPORT
GMHC INC.
1983**

Development

GAY MEN'S HEALTH CRISIS INC.

INTRODUCTION

From the Executive Director

In just one year, GMHC has grown from infancy to adulthood. It was a fast and brutal period, when AIDS exploded all around us and threw us into an emergency that continues to expand.

Our growth was forced by the demands made on us not only by gay men, themselves confused and panicked, but by an entire world beset with fear. We began 1983 with one professional staff person and many volunteers. We ended it with a dozen full-time professionals and a small army of volunteer workers. In one year, we had to learn how to raise funds, deal with a tangle of government agencies and support a shocking number of people stricken with AIDS. And we had to learn how to do all these things on very little money, yet to maximum effects.

This report for 1983 reflects a major GMHC commitment, to endure. As we scramble to meet the demands placed on us, we cannot lose sight of our future. We intend to have one, a future that endures the cycles of media upheaval and silence. We know that diseases don't go away by wishing them away. We know that we are caring for double the number of gay men now, in midsummer 1984, that we were at the end of 1983. We know that we have reserves of funding, but at the present rate of spending we will not have them for long, no matter how efficiently we use what we have. We now operate every month on fewer contributions.

Apathy will not stop AIDS, and it won't do much to comfort those who are dying of AIDS. It won't enlighten society as a whole, and it won't keep gay men informed about the lethal dangers of this disease. Only time and money, expertly applied, gets the real work done. For many people, GMHC has been there when no other help was. If you value that commitment, you will see how critical our work is now and why you must keep it in force.

Rodger McFarlane,
Executive Director

From the President

The foundation created in January 1982 has ended its first full year of service to our community. This report of our growth and work in 1983 explains how we have addressed the epidemic of acquired immune deficiency syndrome, or AIDS, which continues to strike gay men in ever-rising numbers.

The past has been frightening. We have seen those among us waste and die of a disease science still does not understand and cannot cure. Yet we have responded with courage by building a new kind of service foundation, the first and largest to be focused on AIDS. We have tried to show that there is an answer to fear and helplessness, that gay men are capable of enormous courage and resourcefulness. We have found new strength.

We are now in possibly the most dangerous moment of the epidemic of AIDS. Public concern has faded, yet cases mount. New evidence suggests that large numbers of gay men in good health may be infected with a virus believed to cause or trigger the disease. And even if AIDS were to vanish tomorrow, we as a community face many other threats of disease.

To rise to these challenges, Gay Men's Health Crisis has resolved to *endure* the crisis, to look beyond AIDS to the enduring health of generations of gay men. It is our promise to you who have generously given so much. Even more is needed, more critically than ever. In the memory of those who have been taken from us, we must do more. We are confident you will stand with us, as you have before, to keep GMHC alive and working for you.

Paul Popham, President
Board of Directors, GMHC

INTRODUCTION

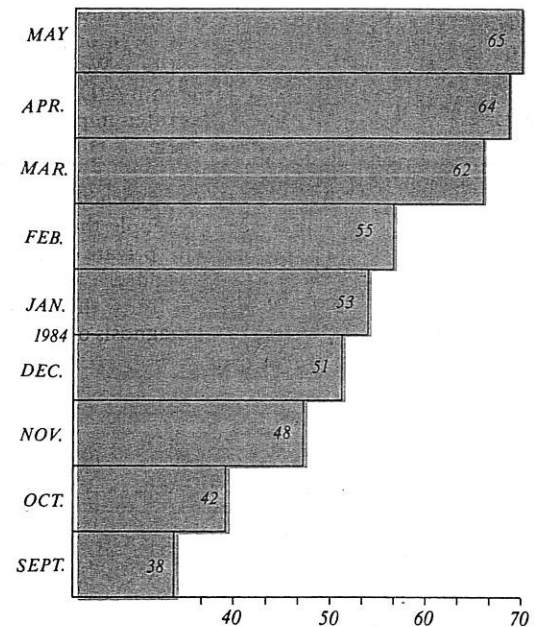
THE ACHIEVEMENTS

How GMHC works for you, and why

What is now a large and complex service foundation was built through 1983 under great pressure. Media attention, most of it inaccurate and unnerving, broke fully in May of that year. The result was to accelerate demands on GMHC. These demands continue to grow.

Reported cases of AIDS in New York City stood at 622 as 1983 began. By mid-year, 440 new cases were recorded by the Centers for Disease Control. At the end of the year, 884 new cases brought the city's full total to 1,506. As this report was written in the summer of 1984, the city had reported 1,927 cases. And of those, 740 were dead.

Reports in April 1984 from Paris and Washington, D.C., point to finding a single virus that causes AIDS. Already, donated blood and even small groups of gay male volunteers and others were being tested for evidence of this virus. As case totals of AIDS continue to climb at a steady rate, it appears that those at risk for developing AIDS would face the prospect of being told they are infected. Yet efforts to clarify the meaning of this information, and how it should be protected, so far stand in such confusion in all quarters that potential for social damage appears greater than ever.



Number of clients registering for services for the first time from September 1983 to May 1984

What we have to do

In 1984 and for the foreseeable future, we must continue to provide the services described in this report. For most of our clients, there is no alternate source of help. We are confronting five new AIDS cases a day in New York alone. Thus our educational efforts have never been more important.

We confront two major problems as we look toward 1985: A rapid growth in our caseload and a steady decline in most major sources of revenue. GMHC's projected deficit of \$160,000 for 1984 will severely deplete our reserves.

We need continued community support. And we must find new sources of donations.

THE FUTURE

We respond to emergencies

In 1983, GMHC found itself overwhelmed by the complex tragedies of newly diagnosed people with AIDS. Their needs are most urgent and remain our first consideration.

We developed a Clinical Services Division as our first line of defense against AIDS, and as it expanded we pioneered four main areas of response:

1. Help for people with AIDS themselves.
2. Support for those near to the diagnosed patient.
3. Programs to prepare volunteers helping these people.
4. Quality assurance checks.

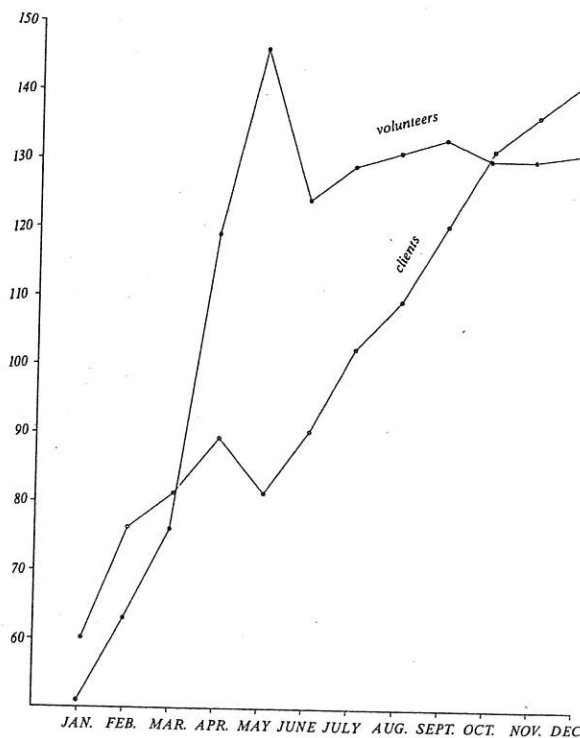
When someone first reaches us, we draw a detailed picture of what he or she needs. Then we direct them down the pyramid of referrals and services as quickly as possible. In 1983, GMHC served 632 people either with AIDS themselves or close to such a person.

Many of those who turned to us were given para-professional counseling on the crisis intervention model. A program of help by GMHC Buddies provides care for those debilitated at home. The hospitalized are often visited and the standard of their care monitored. A variety of psycho-therapy groups have been organized and tailored to specific emotional situations. We provide recreational programs to bring people with AIDS out of their severe aloneness, an isolation as often imposed by themselves as it is by those around them.

GMHC began a program of financial advocacy, to give emergency cash grants and to guide people through a maze of social agencies in government, private insurers and other benefit programs. We also added a full-time attorney skilled in dealing with legal matters that often arise when a life is thrown askew by a diagnosis of AIDS.

While much of this work is performed by professionals, they must also supervise support from volunteers. Training these voluntary samaritans requires a full program of education seminars and constant checks on performance. Detailed handbooks have been published to guide the volunteer in his or her service; these handbooks, like much of the work GMHC performs, have served as models for other organizations. Because GMHC was there first, we found ourselves having to draw on many sources to fashion an entirely new program of community support.

CLINICAL SERVICES



*Volunteers active in and clients served in
Crisis Intervention Counseling, a division of Clinical Services*

EDUCATION

PUBLIC RELATIONS

LOBBYING

We inform and educate the public

Beyond the immediate task of saving people with AIDS from abandonment and fear, GMHC acts to reach a variety of concerned groups with reliable, accurate information about AIDS.

Because so little is understood about AIDS, reports in 1983 often threw attention on the most sensational things about it. To counter widespread fear, the GMHC Education Division began a series of 55 scientific seminars for health care workers as well as another series of forums for gay men and for mental health professionals.

Further, our education service extends itself to people on the street, where volunteers are available with literature and answers to passersby. Our 24-hour Hotline focuses the caller toward appropriate referrals inside and outside the foundation. In the year past, we received almost 12,000 calls on the hotline.

GMHC began publishing a periodic Health Letter to present reliable scientific information about AIDS. We have published the guidelines on safer sex, formulated by the New York Physicians for Human Rights, in pamphlet and poster form. Other fact sheets in Spanish and Haitian Créole further broaden our service to the community and to the world.

As an extension of the role GMHC has cast for itself in the New York metropolitan area, we have advised groups in North America and Europe by invitation, both in person and through requests for literature. In all, we have published and distributed more than two million printed pieces about AIDS.

We urge fairer media treatment

After a year of unprecedented attention, New York's gay men and women worked in 1983 to reverse unfriendly attitudes in the press and broadcast news services. GMHC in particular joined other prominent gay service groups to entreat the media to be kind, careful and in general more sensitive. This effort has resulted in much improved coverage on network news broadcasts, in New York daily newspapers and newsweekly magazines, in how the media perceives gay people on several issues, not only AIDS.

In particular, the media has learned to consult GMHC about issues involving AIDS. By continuing to inform and educate those who cover the epidemic, we have gained much ground toward allaying undue fear on one side, toward keeping alive the urgency of the story on the other.

We press hard for research support

Limited by its charter to staying out of partisan politics, GMHC still can and has pushed very hard to involve funding sources in supporting research on AIDS. In 1983, we sent an officer to testify before a committee of the House of Representatives, urging higher federal funding. We were critically important in prompting the New York State Legislature to enact funds that created the state's AIDS Institute, which in turn granted us almost \$200,000 for education services. We continue to advocate tax-dollar assistance by sustaining the Lobby Project of the Federation of AIDS-Related Organizations, which we helped create in June 1983.

We search for more funding for GMHC

To ensure that GMHC never falters in its service, we began in 1983 a program to secure long-range financial stability. We recognize how uncertain is the future before us, as well as how uneven is the long-term performance of some service foundations.

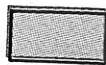
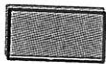

We undertook two major fund-raising events in 1983, both now celebrated as having broken new ground. The circus and rodeo in Madison Square Garden were underpinned further by a dinner party in East Hampton hosted by Craig Claiborne and by dozens of benefits held for us by bars and discothèques all over the city.

Especially moving are the contributions made to us on behalf of lost friends, lovers, colleagues and sons. And most valuable to us are the services and volunteer hours donated over the year, estimated at roughly \$7.2 million.

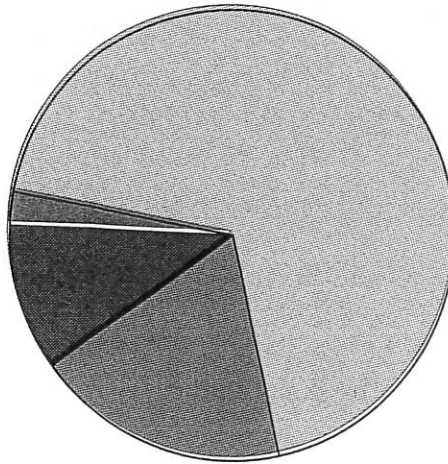
A Report from the Treasurer to follow reflects a year of struggle and growth. Already, GMHC by mid-1984 has expanded its services beyond the scope of 1983. In a time when others have chosen summary action to limit through government intervention our hard-won freedoms, we have chosen to strengthen our education service so that we, not others, retain responsibility for our own behavior. This struggle is likely to become more intense, not less. Social pressure from an epidemic still in full force will become stronger, not weaker. GMHC is resolved to meet those challenges, as always, with your help.

FUNDING

COMMUNITY SUPPORT:

-  *Benefits and Events*
-  *Contributions, etc.*
-  *Memorials*

GOVERNMENT GRANTS



TREASURER'S REPORT

Our first full fiscal year was an outstanding year for your organization. Contributing to total Public Support and Revenue of \$896,645 were our own major fund raising events, fund raisers held on our behalf, our first New York City and New York State government grants, and overwhelming public financial support in the form of personal contributions.

During 1983 we realized our major commitment to making GMHC a financially healthy organization. The importance of the goal cannot be underestimated if we are to ensure continuity of services to a community which has come to depend on us. Thus 1983 saw the implementation of strict budget and financial controls. When an opportunity arose to acquire an urgently needed permanent home which suited our special needs, we were able to act decisively and successfully in fulfilling this most important need.

It is clear that all the elements are now in place for your organization to function as we had intended. It should be remembered, however, that not only do we need your continuing support, but we must expand our revenue sources to fund our expanding services.

Joe Paschek,
Treasurer

GRANTS AWARDED

Recipients of GMHC grants in 1983 (as of January 30, 1984)

1. St. Luke's-Roosevelt Hospital Center, Michael Lange, M.D.; \$22,400.
2. Mount Sinai Medical Center, Frederick P. Siegal, M.D., Memorial Sloan-Kettering Cancer Center, Carlos Lopez, Ph.D., UCLA Medical Center, Michael S. Gottlieb, M.D.; \$5,250.
3. Memorial Sloan-Kettering Cancer Center, Susanna Cunningham-Rundles, Ph.D., Metropolitan Hospital Center, William H. Stahl, M.D.; \$5,250.
4. Joyce Wallace, M.D.; \$1,000.
5. Ginny Lehman, C.S.W., and Noreen Russell, C.S.W.; \$886.
6. Simon Karapatkin, M.D., NYU Medical Center; \$14,000.
7. Michael Grieco, M.D., and Michael Lange, M.D., St. Luke's-Roosevelt; \$6,400.
8. Community Health Project; \$25,000.
9. National Gay Task Force; \$12,000.
10. Community Council of Greater New York; \$1,000.
11. National AIDS Vigil Commission; \$1,000.
12. Federation of AIDS-Related Organizations; \$40,000.
13. Memorial Sloan-Kettering Cancer Center, Grace H. Christ, A.C.S.W., "A Model Program of Psycho-social Support and Education for Patients with Acquired Immunodeficiency Syndrome"; \$20,000.

Joseph R Concilio

Certified Public Accountant

250 W 57th Street Suite 930 New York New York 10107 212 307 1710

BOARD OF DIRECTORS

GAY MEN'S HEALTH CRISIS, INC.

NEW YORK, NEW YORK

I have examined the statement of assets, liabilities and fund balances arising from the cash transactions for Gay Men's Health Crisis, Inc. at December 31, 1983 and the related statements of public support, revenue received and expenses and changes in fund balances for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In my opinion, the accompanying statements present fairly the assets, liabilities and fund balances of Gay Men's Health Crisis, Inc. at December 31, 1983, arising from cash transactions, and the public support, revenue received and expenses and changes in fund balances during the year then ended, on a basis consistent with that of the preceding year.

New York, New York
January 27, 1984



STATEMENT OF SUPPORT, REVENUE RECEIVED AND EXPENSES
AND CHANGES IN FUND BALANCE
GAY MEN'S HEALTH CRISIS, INC.
Year ended December 31, 1983

	Restricted Fund	Unrestricted Fund	Total All Funds
PUBLIC SUPPORT AND REVENUE RECEIVED			
Public support			
Contributions		\$ 149,266	\$ 149,266
Newsletter sollicitaion		7,652	7,652
Coinbox sollicitation		13,935	13,935
Established memorial funds		21,846	21,846
Outside benefits, net of direct costs of \$10,242		316,697	316,697
Special events, net of direct costs of \$338,840		274,130	274,130
Government grants	\$ 113,119		113,119
TOTAL PUBLIC SUPPORT	113,119	783,526	896,645
Revenue received			
Investment income		30,006	30,006
TOTAL REVENUE RECEIVED		30,006	30,006
TOTAL PUBLIC SUPPORT AND REVENUE RECEIVED	113,119	813,532	926,651
EXPENSES			
Program services			
Research		93,000	93,000
Persons with AIDS and clinical services	49,015	61,006	110,021
Public information and education	49,496	115,780	165,276
TOTAL PROGRAM SERVICES	98,511	269,786	368,297
Supporting services			
Management and general	5,619	99,268	104,887
TOTAL SUPPORTING SERVICES	5,619	99,268	104,887
TOTAL EXPENSES	104,130	369,054	473,184
EXCESS OF PUBLIC SUPPORT AND REVENUE RECEIVED OVER EXPENSES	8,989	444,478	453,467
Fund balance at January 1, 1983		53,421	53,421
FUND BALANCE AT DECEMBER 31, 1983	\$ 8,989	\$ 497,899	\$ 506,888

See notes to financial statements

STATEMENT OF FUNCTIONAL EXPENSES
GAY MEN'S HEALTH CRISIS, INC.
Year ended December 31, 1983

	Program Services		Supporting Services	Total Expenditures
	Research	Persons with AIDS and Clinical Services	Public Information and Education	
Staff compensation		\$ 41,318	\$ 33,429	\$ 124,469
Employeee benefits		1,960	1,603	5,938
Payroll taxes		668	546	2,023
Professional fees		2,550	2,700	7,689
Supplies and stationery			17,208	17,208
Telephone		8,189	4,785	17,361
Postage and shipping		5,022	7,445	17,977
Occupancy		4,119	4,590	13,702
Printing and publications		7,930	49,289	60,879
Travel		6,513	6,441	17,212
Advertising		1,191	974	3,609
Grants and allocations	\$ 93,000		22,665	116,715
Hotline expenses			7,280	7,280
Volunteer training and other related costs		11,732		11,732
Clinical services expenses		1,628		1,628
Direct financial aid and recreational activities - Persons with AIDS		15,826		15,826
Direct education and other informational expenses			13,756	13,756
Public forum expenses			8,647	8,647
Miscellaneous		529	433	6,968
TOTAL EXPENSES BEFORE DEPRECIATION	93,000	109,175	164,583	470,619
Depreciation		846	693	2,565
TOTAL EXPENSES	\$ 93,000	\$ 110,021	\$ 165,276	\$ 473,184

See notes to financial statements

**NOTES TO FINANCIAL STATEMENTS
GAY MEN'S HEALTH CRISIS, INC.**

NOTE A—ORGANIZATION

Gay Men's Health Crisis, Inc. ("GMHC"), was incorporated under New York State law on June 25, 1982, and created for the purpose of advancing the scientific and public knowledge and treatment of diseases associated with defects in the body's immune system affecting the gay community, including support for medical research aimed at curing and treating such diseases, support for clinical programs for the medical and psychological treatment of persons affected with such diseases, and providing information to the public about such diseases and their treatment.

**Notes to Financial Statements
Gay Men's Health Crisis, Inc.**

**NOTE B—SUMMARY OF SIGNIFICANT
ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with the American Institute of Certified Public Accountants' industry audit guide, "Audits of Voluntary Health and Welfare Organizations."

NOTE C—SUBSEQUENT EVENTS

- (1) Subsequent to December 31, 1983, GMHC entered into a lease for premises with minimum annual rental commitment under said operating lease of:

1984-89—	\$174,000
1989-94—	204,000
1994-99—	<u>252,000</u>
	<u>\$630,000</u>

- (2) Subsequent to December 31, 1983, GMHC entered into construction and purchase agreements for the renovation and construction of offices in the aforementioned lease premises for approximately \$113,000.
- (3) Grants made subsequent to December 31, 1983, totalled \$20,000.

NOTE D—DONATED SERVICES

No amounts have been reflected in the statements for donated services inasmuch as no objective basis is available to measure the value of such services; however, a substantial number of volunteers have donated significant amounts of their time in the organization's program services.

NOTE E—TAX EXEMPT STATUS

GMHC has obtained an advance ruling from the Internal Revenue Service which states that it has qualified to operate as a publicly supported organization as defined by the Internal Revenue Code, and is exempt from taxation under Section 501(c)(3) of the Code. The advance ruling period terminates on December 31, 1984.

Paul Popham, *President*
Larry McDevitt, *Vice-President*
Brad Frandsen, *Secretary*
Joe Paschek, *Treasurer*
Enno Poersch
Dan Bailey
Judge Richard Failla
Robert Cecchi
Leonard Bloom
Richard Dunne
Frank Lilly, Ph.D.
Rodger McFarlane, *Executive Director*

**BOARD OF
DIRECTORS**

**IN MEMORY OF THE
740 NEW YORKERS WHO
HAVE DIED OF AIDS**

GMHC
Box 274
132 West 24th Street
New York, NY 10011

POSTAGE PAID

