Dear Friends,

Nelson Mandela said, “There can be no keener revelation of a society’s soul than the way in which it treats its children.” At Illinois Children’s Healthcare Foundation (ILCHF), this quote inspires us to ask ourselves, “What are we doing to improve the ways in which our children are treated?”

ILCHF’s mission is to improve children’s health throughout the state of Illinois so that they can grow up healthy. We work with grantee partners across the state to identify and fund solutions to the barriers that prevent children from accessing the health care they need. Every day, our grantees dramatically influence the lives of children and their families. And yet, there is still so much to be done. Too many of the more than 3 million children who live in Illinois face serious challenges that affect their health and well-being.

According to Voices for Illinois Children’s 2014 “Illinois Kids Count” report, 21% of children in Illinois live in poverty, and approximately 26% of low-income children in the state have not received preventative dental care in the last 12 months. In addition, only 55% of all children who needed treatment or counseling from a mental health professional in the last 12 months received care. This means more than 100,000 Illinois children in need of mental health care this year have not received it.

In 2013, the Foundation collaborated with our grantees and partners to address these critical needs and committed over $6.4 million to 14 unique projects designed to produce positive, long-term outcomes for our children. In the area of children’s oral health, we helped establish two new dental clinics providing comprehensive oral health care services within the context of a medical home in Evanston and Waukegan. In an effort to address the complex oral health needs of children with special healthcare needs, ILCHF provided funding to create comprehensive programs in Southern Illinois and DuPage County for these children.

In the area of children’s mental health, we have continued to support efforts to coordinate and integrate children’s mental health care into community-based settings, such as primary care offices and schools. Grantees of our Children’s Mental Health Initiative: Building Systems of Care, Community by Community (CMHI) made great strides in integrating systems of care for children in the rural communities of Adams, Carroll, Lee, Ogle, Whiteside, and Livingston counties, as well as the city of Springfield. In its second year of implementation, more than 30,000 children in these areas accessed screenings that help identify and treat mental and behavioral health issues.

Additionally, we developed an innovative model of care, the Healthy Minds. Healthy Children. Healthy Chicago. (H3) initiative to uniquely blend primary health care services with mental health services on the South and West Sides of Chicago. H3 is designed to help children and their families through a team-based approach to prevention and early intervention.

As the Foundation looks to the future and continues to work toward achieving our vision that every child in Illinois has the opportunity to grow up healthy, we invite more partners to join us. In the words of Abraham Lincoln, “Determine that the thing can and shall be done and then we shall find the way.” Please join us in finding the way to help Illinois’ most precious asset: our children.

We invite you to experience, inform and follow our work via this report, and by finding us online at www.ilchf.org.

Sincerely,

Kathleen L. Halloran
Chair of the Board

Heather Higgins Alderman
President
### 2013 Grant Recipients

Approval date is between January 1, 2013 thru December 31, 2013

In fiscal year 2013, ILCHF approved $6,480,178 in grants for 14 programs throughout Illinois.

<table>
<thead>
<tr>
<th>Program Name</th>
<th>Location</th>
<th>Funding</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>DuPage County Health Department</td>
<td>WHEATON, IL</td>
<td>$492,248</td>
<td>Ready, Set, Smile</td>
</tr>
<tr>
<td>Erie Family Health Center</td>
<td>CHICAGO, IL</td>
<td>$2,000,000</td>
<td>Healthy Minds. Healthy Children. Healthy Chicago. (H3)</td>
</tr>
<tr>
<td>Erie Family Health Center</td>
<td>CHICAGO, IL</td>
<td>$400,000</td>
<td>Erie Waukegan Health Center Oral Health Initiative</td>
</tr>
<tr>
<td>Erie Family Health Center</td>
<td>CHICAGO, IL</td>
<td>$170,000</td>
<td>Planning Grant: Healthy Minds. Healthy Children. Healthy Chicago. H3: Enhancing the Children’s Mental Health System of Care</td>
</tr>
<tr>
<td>Erie Family Health Center</td>
<td>CHICAGO, IL</td>
<td>$400,000</td>
<td>Erie Evanston/Skokie Health Center Oral Health Initiative</td>
</tr>
<tr>
<td>Heartland Health Outreach</td>
<td>CHICAGO, IL</td>
<td>$62,783</td>
<td>Healthy Smile Healthy Growth 2013–2014</td>
</tr>
<tr>
<td>Illinois Action For Children</td>
<td>CHICAGO, IL</td>
<td>$197,000</td>
<td>Oral Health Initiative</td>
</tr>
<tr>
<td>MCHC-Chicago Hospital Council</td>
<td>CHICAGO, IL</td>
<td>$10,000</td>
<td>My Child Ate</td>
</tr>
<tr>
<td>Metropolitan Family Services</td>
<td>CHICAGO, IL</td>
<td>$2,000,000</td>
<td>Healthy Minds. Healthy Children. Healthy Chicago. (H3)</td>
</tr>
<tr>
<td>Metropolitan Family Services</td>
<td>CHICAGO, IL</td>
<td>$150,000</td>
<td>Planning Grant: Healthy Minds. Healthy Children. Healthy Chicago. H3: Enhancing the Children’s Mental Health System of Care</td>
</tr>
<tr>
<td>Northern Illinois Food Bank</td>
<td>GENEVA, IL</td>
<td>$25,000</td>
<td>Barb Food Mart – Providing Healthy Food &amp; Dental Kits</td>
</tr>
<tr>
<td>OSF Healthcare System</td>
<td>PEORIA, IL</td>
<td>$30,000</td>
<td>Peoria Tri-County Dental Services Assessment for Children with Special Healthcare Needs</td>
</tr>
<tr>
<td>Southern Illinois Healthcare Foundation</td>
<td>SAUGET, IL</td>
<td>$500,000</td>
<td>A Proposal to Increase Oral Health Services for Special Needs Children through a Continuum of Care</td>
</tr>
<tr>
<td>Southern Illinois Healthcare Foundation</td>
<td>SAUGET, IL</td>
<td>$43,147</td>
<td>Panoramic X-Ray Equipment for Olney Clinic</td>
</tr>
</tbody>
</table>
Responding to the needs of children.

Our History
ILCHF was formed in December 2002 through an action of then Attorney General Jim Ryan and an Illinois insurance carrier. This action and a settlement of approximately $125 million established the only private foundation focused solely on the health needs of children in Illinois.

Our Mission
Illinois Children's Healthcare Foundation creates opportunity for and leads in the development of initiatives that improve the health of all children.

Our Vision
To ensure every child in Illinois has the opportunity to grow up healthy.
### Financial Highlights

For a copy of the 2013 audited financial statements, 2013 Form 990PF, or a complete and detailed listing of our 2013 program investments, please visit our website at www.ilchf.org or contact Brielle Treece Osting at 630.571.2555.

#### Statement of Financial Position

<table>
<thead>
<tr>
<th></th>
<th>December 31, 2013</th>
<th>December 31, 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$1,033,442</td>
<td>$757,592</td>
</tr>
<tr>
<td>Investments, at fair value</td>
<td>135,215,787</td>
<td>122,123,723</td>
</tr>
<tr>
<td>Other assets</td>
<td>44,241</td>
<td>49,897</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>136,293,450</td>
<td>122,931,212</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants payable</td>
<td>6,572,055</td>
<td>4,743,675</td>
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<tr>
<td>Other liabilities</td>
<td>59,753</td>
<td>86,874</td>
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<tr>
<td><strong>Total liabilities</strong></td>
<td>6,631,808</td>
<td>4,830,549</td>
</tr>
<tr>
<td>Unrestricted net assets</td>
<td>129,661,642</td>
<td>118,100,663</td>
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<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td>$136,293,450</td>
<td>$122,931,212</td>
</tr>
</tbody>
</table>

#### Statement of Activities

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment income, net</td>
<td>$19,179,225</td>
<td>$14,707,635</td>
</tr>
<tr>
<td>Other income</td>
<td>—</td>
<td>1,000</td>
</tr>
<tr>
<td><strong>Total net revenue</strong></td>
<td>19,179,225</td>
<td>14,708,635</td>
</tr>
<tr>
<td>Grants approved, net</td>
<td>6,759,442</td>
<td>2,033,381</td>
</tr>
<tr>
<td>All other expenses, net</td>
<td>858,804</td>
<td>801,280</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>7,618,246</td>
<td>2,834,661</td>
</tr>
<tr>
<td><strong>Change in net assets</strong></td>
<td>11,560,979</td>
<td>11,873,974</td>
</tr>
<tr>
<td>Grants paid during the year</td>
<td>$4,669,253</td>
<td>$5,106,019</td>
</tr>
</tbody>
</table>

For a copy of the 2013 audited financial statements, 2013 Form 990PF, or a complete and detailed listing of our 2013 program investments, please visit our website at www.ilchf.org or contact Brielle Treece Osting at 630.571.2555.
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