

Detailed Expense Reports

Research Projects-\$ 406,609

Conducting research is our top priority. The following research projects reflect our organizational priority of conducting strategic psychedelic-assisted psychotherapy and medical marijuana research and, where possible, conducting clinical trials under the US Food and Drug Administration and European Medicines Agency.

In order to present more information about MAPS' expenditures, I will briefly go over each item. Chart 4 on page 7 will enable you to see all the items at a glance.

US MDMA/PTSD Study-\$235,843

Our largest expenditure on research was for ongoing costs for MAPS' pilot MDMA-assisted psychotherapy study, conducted in Charleston, South Carolina under the direction of Dr. Michael Mithoefer and Ann Mithoefer BSN. This study investigated MDMA-assisted psychotherapy in subjects with treatment-resistant Posttraumatic Stress Disorder (PTSD). The 21st and final subject completed the two-month follow-up in September 2008, concluding the study. Over the years, MAPS has spent about \$1 million on this study. The results of this study are so promising that it was worth every penny. We're now expanding our MDMA/PTSD research to new countries and therapeutic teams, testing different protocol modifications that will help us in the design of the Phase 3 studies. If other therapist teams can get results similar to the results obtained by Michael and Ann Mithoefer, we will have sufficient evidence to justify the prescription use of MDMA-assisted psychotherapy.

Swiss MDMA/PTSD Study-\$4,390

This item is for ongoing costs related to Dr. Peter Oehen's MAPS-sponsored MDMA/PTSD study, which has continued to enroll patients this year. This study is designed for 12 subjects and half have already been treated. The estimated completion date for this study is around September 2009. This study has been submitted to FDA under MAPS' Investigational New Drug (IND) application for MDMA, in order to ensure that FDA will review the data generated by this study. The study actually cost substantially more than \$4,390 in FY 07-08, but costs were paid out of the Swiss account of the Swiss Medical Association for Psycholytic Therapy (SAEPT), into which Swiss citizen and MAPS donor Vanja Palmers donated directly. The estimated total cost including funds spent directly from SAEPT was \$55,000.

Israel MDMA/PTSD Study-\$11,020

This item is for ongoing costs related to Dr. Moshe Kotler's MAPS-sponsored MDMA/PTSD study, which has continued to enroll patients this year. This study is designed for 12 subjects and two have already been treated. The estimated completion date for this study is around December 2009. This study has been submitted to FDA under MAPS' Investigational New Drug (IND) application for MDMA, in order to ensure that FDA will review the data generated by this study.

Canada MDMA/PTSD Study-\$1,715

This item is for protocol development for a new MAPS-sponsored MDMA/PTSD study to take place in Vancouver, Canada, with co-therapists Ingrid Pacey MD (psychiatrist) and Psychologist Andrew Feldmar. A Canadian Institutional Review Board (IRB) has approved the study, with Health Canada approval still required. When we obtain full approval and start this study, it will be the first psychedelic research in Canada in about 35 years. This study is designed for 12 subjects.

MDMA Therapist Training Program-\$6,378

MAPS is developing a training program for therapists who we will hire to conduct our Phase 3 research into MDMA-assisted psychotherapy for PTSD. These costs are for training program development, which includes evaluating and learning from therapists currently conducting MDMA/PTSD studies for MAPS.

MDMA Literature Review-\$6,663

MAPS research associate Lisa Jerome, Ph.D. is responsible for keeping current on the state of the art of the world's scientific, peer-reviewed literature on MDMA. She continued this ongoing review throughout FY 07-08. When applying to the FDA and Institutional Review Boards with a new protocol, it is necessary to have a comprehensive review of all factors related to risk.

MDMA Research-\$4,742

These are general expenditures in support of our MDMA research efforts that benefit multiple MDMA projects. Swiss LSD/End-of-Life Anxiety Study-\$6,400 MAPS worked with Peter Gasser, MD, a Swiss psychiatrist, on the protocol development and approval process for a pilot study investigating the safety and efficacy of LSD-assisted psychotherapy in reducing anxiety and pain in patients with end-of-life diagnoses. The study gained approval and treated its first subject in this fiscal year. When completed, this will become the first study of the therapeutic use of LSD in over 35 years. Additional funds amounting to an estimated \$15,400 for study expenses have been paid from the SAEPT account and are not reflected on MAPS' books.

Pilocybin Cancer/Anxiety Study-\$12,005

This item is for the protocol development and approval process for a study of pilocybin-assisted therapy with advanced-stage melanoma cancer patients with anxiety. Sameet Kumar, Ph.D. will conduct the study. The FDA has approved the protocol, but we're still seeking an institution in Southern Florida willing to let the study take place there and have its IRB review the protocol.

Ibogaine Canada-\$3,554

MAPS was sponsoring a study of the long-term effectiveness of ibogaine-assisted therapy in the treatment of opiate addiction. This study was located in Vancouver, Canada with patients treated at the Iboga Therapy House. Funds were used for enrollment and follow-up for five subjects. Unfortunately, the Iboga Therapy House shut its door for financial reasons and our study has been ended prematurely. Fortunately, this study has led to another ibogaine outcome study in Mexico and helped introduce us to therapists in Vancouver with whom we're working to start our Canadian MDMA/PTSD study.

Ibogaine Mexico-\$1,308

MAPS is sponsoring a study of the long-term effectiveness of ibogaine-assisted therapy in the treatment of opiate addiction. This study is located in Mexico, with patients treated at the Ibogaine Association, and funds were used for protocol development, training, and approval.

Cluster Headache Protocol-Pilocybin-\$26,914

MAPS donated \$26,000 to Clusterbusters, a group of people who suffer from cluster headaches and have found pilocybin and LSD to be effective in treating their headaches. The donation was for the development of a protocol to evaluate pilocybin in the context of a clinical study. MAPS allocated an additional \$913 in staff time on this project.

Cluster Headache LSA Study-\$3,251

MAPS funded Dr. Andrew Sewell to gather information from cluster headache sufferers who had used morning glory seeds that contained lysergic acid amide (LSA). This is important because these seeds are relatively easy to obtain, while it will take many years to obtain legal approval for LSD or pilocybin for cluster headaches.

Cluster Headache LSD Protocol-\$1,158

MAPS' Research and Information Specialist Lisa Jerome, PhD worked on protocol development for a study of LSD in treating cluster headaches. The study will be funded by Clusterbusters and will probably take place at McLean Hospital, Harvard Medical School

Marijuana Production Facility/Umass Amherst-\$6,828

MAPS donated \$6,000 to UMass Amherst Professor Lyle Craker to compensate him for his time working to reverse the DEA's refusal to grant him a license for a MAPS-sponsored medical marijuana production facility. MAPS also spent \$828 on expenses for a press conference to draw attention to the recommendation of DEA Administrative Law Judge Bitner that DEA should issue Prof. Craker a license, since she found that it would be in the public interest to end the government monopoly on the supply of marijuana legal for use in federally-approved research.

Marijuana Vaporizer Study-\$1500

MAPS paid Chemix Labs for the development of a protocol to submit to NIDA seeking to purchase 10 grams of marijuana so we could continue our research into the constituents of the vapors produced by the Volcano vaporizer. We have now been trying for 5 years without success to purchase 10 grams of marijuana from NIDA! This obstruction of our vaporizer research is clear evidence of why it would be in the public interest for Prof. Craker to be issued a DEA license for a MAPS-sponsored medical marijuana production facility.

Dr. Donald Abrams Marijuana/Pain/Opiates Study-\$167

As far as we can tell, Dr. Abrams is currently the only researcher in the US who is actively evaluating the medical use of marijuana in a patient population. MAPS has donated staff time and resources to assist with travel and lodging for patients in Dr. Abrams' study of medical marijuana in conjunction with pain medications. MAPS has also agreed to help find the remaining patients for this study. These costs are for the early stages of this project, which is primarily taking place in FY 08-09.

Vancouver Island Medical Marijuana Compassion Club-\$8000

Philippe Lucas, founder of the Vancouver Island Compassion Club, received an \$8000 grant, donated to MAPS by David Bronner, to study the patients who come to his club. One aim of the study is to see if certain strains of marijuana are more effective in certain clinical conditions.

Israel Medical Marijuana Production Facility-\$58,774

The Israel Ministry of Health has established a policy whereby physicians whose patients have any of a certain limited number of clinical conditions can apply to the Ministry requesting that their patient receive a license to use marijuana legally. Since there was no legal supply of marijuana in Israel, the Ministry of Health decided to issue several licenses to produce marijuana for Ministry-approved patients. The license does not permit the producer to sell the marijuana, thus it requires that the marijuana be given away for free. The producers must obtain donations to cover their costs. David Bronner donated funds to MAPS to help subsidize the costs of one producer. Over time, as more patients are approved and obtain medical benefits, we think the Ministry will reconsider the policy of free distribution and permit sales which would then be a sustainable model.

Education -\$455,552

MAPS' mission includes both research into the beneficial uses of psychedelic and marijuana and educating the public honestly about the risks and benefits of these drugs. Since there is so much misinformation about the risks of psychedelics and marijuana, and so much denial about any benefits, our educational mission is as critical as our research mission. We've undertaken quite a few educational projects, which I will describe below. These educational projects will be divided into two categories, those that are part of MAPS' core activities and those conducted by other organizations for which we are acting as fiscal sponsor and whose activities are aligned with MAPS' mission.

MAPS' Core Educational Projects-\$136,220

DEA UMass Amherst/Congressional Sign-On Letter-\$61,369

On February 12, 2007, DEA Administrative Law Judge Mary Ellen Bitner issued her findings of fact and recommendation in the case of Prof. Lyle Craker. ALJ Bitner recommended that DEA issue a license to Prof. Craker for a MAPS-sponsored medical marijuana production facility, which would end the federal monopoly on the supply of marijuana legal for research. The licensing of Prof. Craker would catalyze a serious drug development research program, which is what DEA is seeking to prevent. DEA must issue a final ruling in response to ALJ Bitner's recommendation, but there is no timetable within which DEA must act.

MAPS initiated a major effort to educate members of the US House of Representatives about ALJ Bitner's recommendation. We obtained signatures of 45 Congressional Representatives on a letter to DEA urging it to accept ALJ Bitner's recommendation. We also obtained written support from Senators Kennedy and Kerry, who sent a letter to DEA urging it to accept ALJ Bitner's recommendation. Considering how close Senators Kennedy and Kerry are to President-elect Obama, there is a reasonable chance that DEA under an Obama Administration will put science first and issue Prof. Craker his license. If that happens, the controversy over the medical use of marijuana will be decided by the outcome of FDA-sanctioned research. Funds for our Congressional educational campaign were donated to MAPS by board member John Gilmore.

Continuing Medical Education (CME) Project-\$1,056

MAPS is in the early planning stages of organizing a Continuing Medical Education (CME) conference for psychiatrists, psychologists, and nurses about the latest findings from clinical research with psychedelics. This will be an international conference that we'll hold in the San Francisco Bay area, sometime in 2010. Funds were spent on staff time for initial research into possible conference locations and on how to obtain CME credit.

World Psychedelic Forum-\$18,214

In March 2008, a major international conference about psychedelics was held in Basel, Switzerland, home of Albert Hofmann, the father of LSD. MAPS donated \$5,000 to the conference organizers to act as co-sponsor, and we paid travel, lodging and food expenses for a small number of psychedelic researchers and MAPS staff who were speaking at the conference. MAPS' participation in the conference enabled us to meet supporters and researchers from around the world, including our MAPS-sponsored Swiss MDMA and LSD researchers. We were also able to deepen our connections with several major donors. Sadly, Albert Hofmann died shortly after the conference. However, he stayed alive long enough to see the full approval of MAPS Swiss LSD/ end-of-life anxiety study, about which he said on January 11, 2008, his 102nd birthday, "my life's greatest wish is now being fulfilled: LSD is finally becoming a medication again."

Burning Man Sanctuary 2007-\$4,154

One of the causes of the complete worldwide suppression of psychedelic research starting in the early seventies was fear associated with the non-medical use of psychedelics-- which in some cases had tragic outcomes. As MAPS has been successful in helping to establish a renaissance in psychedelic research, we've realized the importance of trying to do what we can to minimize the chances of another backlash. We decided to assist the Burning Man organization's Black Rock Rangers in offering support to people at Burning Man who were having difficult psychedelic experiences, thereby reducing the number of people who might leave Burning Man in a more fragile condition than when they arrived. This was deeply satisfying work and we were able to witness the providing of such services become part of the mission of the Rangers. Our goal was to create a model program that could be adopted by festival organizers all over the world. Our work at Burning Man brought us to the attention of the organizers of the Boom Festival in Portugal. We have worked closely with Boom (see article page 43) and, consequently, I witnessed Boom provide the most comprehensive harm reduction services I've ever seen. This was made possible by the Portuguese law enforcement's acceptance of the value of harm reduction services that, in contrast, are criminalized in the US.

Information-\$618

This category of expenses is for educational materials that MAPS staff purchase for their own education. Drug Policy Alliance Conference-\$2,793 This category is for expenses associated with MAPS staff attending the Drug Policy Alliance conference in New Orleans in December 2007, where we set up a table with information about MAPS.

Working with Difficult Psychedelic Experiences Video-\$125

MAPS has created an educational video as part of our efforts to prevent a backlash against psychedelic research due to tragedies caused by people having difficult psychedelic experiences that they are not prepared to handle. Our video presents information explaining how people can help a friend if their friend is having a difficult psychedelic experience. We created the video in prior fiscal years and these expenditures were for preparing to create a newer version, which took place in this current fiscal year.

MAPS Bulletin-\$47,891

We use our Bulletin as a key educational tool. We take special care to make the Bulletin a magazine that people can proudly show to others. Bulletin costs have been partially subsidized by using the color covers as an opportunity to display art for sale through the MAPS store. The Bulletin comes out 3 times a year and focuses mostly on articles about MAPS' various projects with occasional special themed issues related in some way to psychedelics. Our next themed issue, to come out in early 2009, is about psychedelics and ecology

Education Projects for which MAPS was Fiscal Sponsor-\$319,332

Occasionally, MAPS acts as the fiscal sponsor for externally-generated educational projects that fit into our mission. If a project that fits in our general mission statement is able to independently secure funding and staffing, MAPS is able to provide oversight and tax-exempt status to the project. The following categories are projects for which MAPS acted as a fiscal sponsor.

Burning Man 2008-\$2,254

These are early expenses for Ertheon Village 2008, for which MAPS once again handled the finances. As in years before, expenses were covered by registration fees.

Burning Man 2007-\$128,273

MAPS handled funds for Ertheon Village 2007, which we first helped to create at Burning Man 2006, where we held MAPS' 20th Anniversary. Expenses of Ertheon Village were covered by registration fees, for which people did not receive tax receipts since their fees were for services provided and were not donations. MAPS organized a lecture series about psychedelic research and culture as part of our educational mission. Participation in Ertheon Village helped MAPS fulfill our community outreach goals.

Burning Man Basura Sagrada Temple Project-\$18,764

MAPS served as fiscal sponsor for a team of artists who built, and then burned, the Temple structure at Burning Man 2008. The Temple structure at Burning Man is a place where people traditionally reflect on loved ones who have died and is a meditative location that offers people the opportunity to experience and express somber and serious emotions—in contrast to the often carnival-like mood elsewhere at Burning Man. The Temple structure offers people a supportive place to experience complex emotions and therefore adds an important, grounded "harm reduction" element that, in combination with the Sanctuary space, makes Burning Man a more psychologically balanced and healthy environment.

Ayahuasca Conference in Peru-\$12,879

MAPS helped process registration fees for Alan Shoemaker, who organized the Amazonian Shamanism conference in Peru. People who paid registration fees did not receive tax receipts since they received services for their funds, which weren't donations.

SAFER/JUC Boulder-\$15,000

These expenses are for educational efforts of SAFER, an organization that works with college students to teach them the relative dangers of alcohol as compared to other drugs. MAPS received a grant from Peter Lewis for this project in a prior fiscal year.

Women's Visionary Congress and Women's Entheogen Fund-\$50,502

Organized by Annie Harrison, MAPS was a fiscal sponsor for the first Women's Visionary Congress, which took place in the summer of 2007. The conference sought to provide a gathering place for women in the psychedelic movement, providing them with networking and speaking opportunities that are frequently absent or minimal at other psychedelic-related conferences. In preparation for the 2008 Women's Visionary Congress, Annie Harrison created a new non-profit 1 to sponsor the event.

MAPS also fiscally sponsored the \$15,000 Women's Entheogen Fund, which supported women who made significant contributions to the psychedelic movement. Annie Harrison and advisors determined allocations to Kat Harrison for \$10,000 and the remainder went toward Valerie Mojeiko's tuition at California Institute of Integral Studies.

Women's Alliance for Medical Marijuana Grant (WAMM)-\$9,300

Valerie Corral co-founded WAMM. She has been involved in litigation with DEA about her medical marijuana cooperative production facility. This grant from MAPS was for her public education efforts.

Erowid Website-\$82,359

MAPS has served as fiscal sponsor for Erowid since 1999. Erowid is the most popular website offering information about a wide range of drugs, visited by about 50,000 unique visitors per day. Erowid has now obtained its own non-profit status and MAPS is no longer needed as a fiscal sponsor. Assisting Erowid was a special pleasure since the founders of Erowid, Earth and Fire, and I were college friends at New College of Florida.

Detailed Expense Report—Staff Salaries and Benefits—\$253,786

All of our groundbreaking research would not be possible without our dedicated core staff. Our main office, located in Santa Cruz, currently employs three full-time staff, one three-quarters-time employee, one unpaid intern, one seasonal part-time employee, and occasional temporary employees on a project basis throughout the year.

MAPS strives to provide a fair and competitive salary and to offer a basic benefit package including healthcare and dental insurance.

The gross salary for core staff in the Santa Cruz office in FY 07-08 was \$150,433, with benefits costing MAPS \$43,353. Salary expenses are distributed across the projects to which staff are assigned. In addition, as MAPS President, I earned a total salary of \$60,000 per year, and received no health care or other benefits (other than the tremendous satisfaction of working at MAPS). See Chart 5 on page 7.

Conclusion

The partnership between MAPS members, MAPS staff and MAPS-sponsored researchers has already generated powerful but preliminary evidence that MDMA-assisted psychotherapy has remarkable therapeutic potential in the treatment of PTSD. After 22 years of struggle, we've barely scratched the surface of the potential of psychedelic medicines. As for marijuana, we're still being blocked from sponsoring drug development studies, though that may change for the better under an Obama Administration. The sums of money that we will be needing for research will run into the many millions, and we have a decade at least ahead of us just following up on the projects we have already started. We are working diligently to enhance our scientific, therapeutic, organizational, management, accounting, and communications systems, so that we can be prepared for our inevitable growth. With each successful step we take, the distant dream seems a little closer. While the challenges seem to progressively become a little harder, our skills and experience are growing to meet them. MAPS has flourished in large part because we have built long-term relationships with our members/donors. What we are aiming to accomplish has already taken several decades and could easily take decades more. One donor has left to MAPS in his will a remainder interest in a home worth well over \$1 million that we will receive in 30 years or so. That is too far ahead to have any practical benefit for the immediate future, but it is real enough to help us focus on building an organization that will outlast its founder (me). We have made our share of mistakes but we have demonstrated that we can learn from them. We respect the fears and concerns of our culture, but think the proverbial baby has been thrown out with the bathwater. We are vigilant not to move so quickly that we catalyze a backlash, but we understand the need to respond to the "fierce urgency of now."

In these turbulent times, working together to develop tools of healing and spirituality is more important than ever. As a teenager I was (and remain) inspired by Tolkien who wrote, "This quest may be attempted by the weak with as much hope as the strong. Yet such is off the course of deeds that move the wheels of the world: small hands do them because they must, while the eyes of the great are elsewhere."