

American Diabetes Association
Consolidated Financial Statements
As of December 31, 2007
and Report of Independent Auditors

States



KPMG LLP
2001 M Street, NW
Washington, DC 20036

Independent Auditors' Report

The Board of Directors
American Diabetes Association

We have audited the accompanying consolidated balance sheet of the American Diabetes Association (the Association) as of December 31, 2007, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. The accompanying consolidated balance sheet of the Association as of December 31, 2006 was audited by other auditors whose report dated June 30, 2007 expressed an unqualified opinion on that statement.

We conducted our audit 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the American Diabetes Association as of December 31, 2007 and the changes in its net assets and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The supplementary information included in schedules 1 and 2 for the year ended December 31, 2007 is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

KPMG LLP

June 30, 2008

**AMERICAN DIABETES ASSOCIATION
CONSOLIDATED BALANCE SHEETS**

as of December 31, 2007 and 2006

(in thousands of dollars)

| ASSETS | <u>2007</u> | <u>2006</u> |
|--|-------------------|-------------------|
| Cash and cash equivalents | \$ 7,294 | \$ 13,725 |
| Investments | 40,308 | 48,990 |
| Accounts receivable, net | 9,657 | 5,271 |
| Inventory and supplies, net | 3,206 | 3,757 |
| Prepaid expenses and other assets | 5,110 | 3,959 |
| Contributions receivable, net | 43,635 | 34,046 |
| Fixed assets, net | <u>9,316</u> | <u>10,085</u> |
| Total assets | <u>\$ 118,526</u> | <u>\$ 119,833</u> |
| LIABILITIES AND NET ASSETS | | |
| Accounts payable and accrued liabilities | \$ 19,229 | \$ 17,080 |
| Line of credit | - | 9,000 |
| Research grants payable | 9,678 | 9,781 |
| Deferred revenues | <u>14,176</u> | <u>14,102</u> |
| Total liabilities | <u>43,083</u> | <u>49,963</u> |
| Unrestricted net assets | 31,988 | 27,651 |
| Temporarily restricted net assets | 36,859 | 36,422 |
| Permanently restricted net assets | <u>6,596</u> | <u>5,797</u> |
| Total net assets | <u>75,443</u> | <u>69,870</u> |
| Total liabilities and net assets | <u>\$ 118,526</u> | <u>\$ 119,833</u> |

See accompanying notes to the consolidated financial statements.

**AMERICAN DIABETES ASSOCIATION
CONSOLIDATED STATEMENT OF ACTIVITIES**

for the year ended December 31, 2007

(in thousands of dollars)

| | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Permanently Restricted</u> | <u>Total</u> |
|---|---------------------|-----------------------------------|-----------------------------------|----------------|
| Revenues: | | | | |
| Contributions - direct: | | | | |
| Donations | \$ 63,821 | 29,329 | - | 93,150 |
| Special events | 52,982 | 2,445 | - | 55,427 |
| Less: Costs of direct benefits to donors | (8,182) | - | - | (8,182) |
| Bequests | 20,353 | 6,362 | 750 | 27,465 |
| Contributions indirectly received from | | | | |
| federated and nonfederated organizations | 9,714 | 160 | - | 9,874 |
| Grants from government agencies | 198 | 2 | - | 200 |
| Total contributions and grants | <u>138,886</u> | <u>38,298</u> | <u>750</u> | <u>177,934</u> |
| Fees from exchange transactions: | | | | |
| Subscriptions & other income from periodicals | 27,308 | - | - | 27,308 |
| Sales of materials | 8,515 | - | - | 8,515 |
| Program service fees | 12,764 | - | - | 12,764 |
| Investment income | 5,482 | 103 | 49 | 5,634 |
| Miscellaneous revenues | 1,620 | - | - | 1,620 |
| Total fees from exchange transactions | <u>55,689</u> | <u>103</u> | <u>49</u> | <u>55,841</u> |
| Net assets released from restrictions | <u>37,964</u> | <u>(37,964)</u> | <u>-</u> | <u>-</u> |
| Total revenues | <u>232,539</u> | <u>437</u> | <u>799</u> | <u>233,775</u> |
| Expenses: | | | | |
| Program activities: | | | | |
| Research | 54,341 | - | - | 54,341 |
| Information | 64,307 | - | - | 64,307 |
| Advocacy and public awareness | 51,536 | - | - | 51,536 |
| Total program activities | <u>170,184</u> | <u>-</u> | <u>-</u> | <u>170,184</u> |
| Supporting services: | | | | |
| Management and general | 9,000 | - | - | 9,000 |
| Fundraising | 49,018 | - | - | 49,018 |
| Total supporting services | <u>58,018</u> | <u>-</u> | <u>-</u> | <u>58,018</u> |
| Total expenses | <u>228,202</u> | <u>-</u> | <u>-</u> | <u>228,202</u> |
| Change in net assets | 4,337 | 437 | 799 | 5,573 |
| Net assets, beginning of year | <u>27,651</u> | <u>36,422</u> | <u>5,797</u> | <u>69,870</u> |
| Net assets, end of year | <u>\$ 31,988</u> | <u>36,859</u> | <u>6,596</u> | <u>75,443</u> |

See accompanying notes to the consolidated financial statements.

**AMERICAN DIABETES ASSOCIATION
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**

for the year ended December 31, 2007

(in thousands of dollars)

| | Program Activities | | | Supporting Services | | Total |
|---|--------------------|---------------|-------------------------------|------------------------|---------------|-------------------|
| | Research | Information | Advocacy and public awareness | Management and general | Fundraising | |
| Grants | \$ 41,917 | 197 | - | 42,114 | - | 42,114 |
| Employee costs | 2,478 | 21,010 | 20,274 | 43,762 | 17,411 | 63,149 |
| Professional fees | 1,046 | 10,363 | 6,272 | 17,681 | 5,818 | 24,643 |
| Supplies | 55 | 3,041 | 782 | 3,878 | 546 | 4,533 |
| Telecommunications | 128 | 1,043 | 1,019 | 2,190 | 887 | 3,172 |
| Postage and shipping | 596 | 5,071 | 3,654 | 9,321 | 5,551 | 15,548 |
| Occupancy cost | 512 | 4,882 | 2,271 | 7,665 | 1,930 | 10,441 |
| Equipment rental and maintenance | 91 | 771 | 738 | 1,600 | 624 | 2,305 |
| Printing and publications | 2,480 | 11,718 | 8,508 | 22,706 | 11,201 | 35,563 |
| Travel | 111 | 1,109 | 1,422 | 2,642 | 914 | 3,693 |
| Conferences and meetings | 4,462 | 1,622 | 3,587 | 9,671 | 522 | 10,395 |
| Data processing | 73 | 719 | 594 | 1,386 | 975 | 2,475 |
| Depreciation and amortization | 38 | 1,202 | 1,013 | 2,253 | 631 | 3,748 |
| Miscellaneous | 354 | 1,559 | 1,402 | 3,315 | 2,008 | 6,423 |
| Total expenses | \$ 54,341 | 64,307 | 51,536 | 170,184 | 49,018 | 228,202 |
| Costs of direct benefits to donors | | | | | | <u>8,182</u> |
| Total expenses and costs of direct benefits to donors | | | | | | <u>\$ 236,384</u> |

See accompanying notes to the consolidated financial statements.

**AMERICAN DIABETES ASSOCIATION
CONSOLIDATED STATEMENTS OF CASH FLOWS**

for the year ended December 31, 2007

(in thousands of dollars)

| | |
|--|-----------------|
| Cash flows from operating activities: | |
| Change in net assets | \$ 5,573 |
| Adjustments to reconcile change in net assets | |
| to net cash used in operating activities: | |
| Depreciation and amortization | 3,748 |
| Net unrealized and realized gains on investments | (73) |
| Provisions for doubtful receivables and obsolete inventory | 2,302 |
| Adjustments for changes in operating assets and liabilities: | |
| Increase in accounts receivable | (4,816) |
| Increase in inventory and supplies | (133) |
| Increase in prepaid expenses and other assets | (1,151) |
| Increase in contributions receivable | (10,777) |
| Increase in accounts payable and accrued liabilities | 2,476 |
| Decrease in research grants payable | (103) |
| Increase in deferred revenues | 74 |
| Net cash used in operating activities | <u>(2,880)</u> |
| Cash flows from investing activities: | |
| Purchases of investments | (49,273) |
| Sales or maturities of investments | 58,028 |
| Purchase of fixed assets | <u>(2,979)</u> |
| Net cash provided by investing activities | <u>5,776</u> |
| Cash flows from financing activities: | |
| Proceeds from borrowing on line of credit | 16,100 |
| Payments on line of credit | (25,100) |
| Payments on capital lease agreements | <u>(327)</u> |
| Net cash used in financing activities | <u>(9,327)</u> |
| Net decrease in cash and cash equivalents | (6,431) |
| Cash and cash equivalents, beginning of year | <u>13,725</u> |
| Cash and cash equivalents, end of year | <u>\$ 7,294</u> |

See accompanying notes to the consolidated financial statements.

**AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2007

1. Consolidation and organization

The consolidated financial statements include the American Diabetes Association, the American Diabetes Association Research Foundation, Inc., the American Diabetes Association Property Title Holding Corporation, and Shaping America's Health – Association for Weight Management and Obesity Prevention (consolidated, the Association). All significant inter-Association transactions have been eliminated.

The American Diabetes Association, the American Diabetes Association Research Foundation, Inc. and Shaping America's Health – Association for Weight Management and Obesity Prevention are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code) and charitable contributions to these organizations qualify for tax deductions as described in the Code. The American Diabetes Association Property Title Holding Company, Inc. is exempt from income taxes under Section 501(c)(2) of the Code. These entities (consolidated, the Association) have been classified as organizations that are not private foundations under Section 509(a) of the Code.

2. Program activities

The Association is a not-for-profit voluntary health agency that works to prevent and cure diabetes and to improve the lives of all people affected by diabetes. The principal programs of the Association include:

Research - The research program provides financial support to researchers who are seeking knowledge in the following areas:

- The prevention and cure of diabetes
- The prevention and cure of the complications of diabetes
- New and improved therapies for individuals affected by diabetes

Information - The Association conducts programs that provide diabetes information to individuals with diabetes, their families and their health care providers.

Advocacy and public awareness - The Association acts as an advocate for people with diabetes by delivering programs with important diabetes messages to the general public and to all levels of the government.

**AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2007

3. Summary of significant accounting policies

Basis of accounting

The Association prepares its financial statements on an accrual basis in accordance with U.S. generally accepted accounting principles.

The net assets and revenues, gains and losses of the Association are classified for accounting and reporting purposes in three classes of net assets based on the existence or absence of donor-imposed restrictions. A description of the three classes follows:

Permanently restricted - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Association. Generally, the donors permit the Association to use the income earned on the related investment for general or specific purposes.

Temporarily restricted - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Association and/or the passage of time.

Unrestricted - Net assets that are not subject to donor-imposed stipulations.

Cash and cash equivalents

Cash and cash equivalents are defined as currency on hand, demand deposits with banks or financial institutions, federally insured certificates of deposit with original maturities of less than three months, money market funds of U.S. Government securities and other amounts that have the general characteristics of demand deposits. The Association has classified any cash or money market accounts held by external investment managers as investments as these funds are not readily available for operations.

Investments

Investments in marketable equity securities and all debt securities are recorded at fair value, which is based on quoted market prices or dealer quotes. The real estate investment is reported at the appraised value at the time of the donation. Unrealized and realized gains and losses are reported as investment income on the consolidated statement of activities.

**AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2007

Fair value of financial instruments

As of December 31, 2007, the carrying value of financial instruments such as cash and cash equivalents, accounts receivable, and accounts payable, approximated their fair value, based on the short-term maturities of these instruments.

Inventory

Inventory is comprised primarily of publications and is valued at the lower of cost (first-in, first-out method) or market at net realizable value.

Fixed assets

All fixed assets are stated at cost or fair value on the date of receipt and are depreciated on a straight-line basis over the following useful lives:

| | |
|-----------------------------------|---------------------------------------|
| Leasehold improvements | 10 years or life of lease, if shorter |
| Furniture, fixtures and equipment | 5 years |
| Software | 5-7 years |

If donors stipulate the purpose for which the assets must be used and/or how long the assets must be held, the contributions are recorded as temporarily restricted, otherwise such donations are reported as unrestricted contributions.

Recognition of revenues

Contributions, including unconditional promises to give, are recognized when received. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Contributions that are restricted by the donor for a specific time or purpose are reported as temporarily or permanently restricted contributions based on the nature of the restriction. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the consolidated statement of activities as net assets released from restrictions. In the event a donor makes changes to the nature of a restricted gift which affects its classification among the net asset categories, such amounts are reflected as reclassifications in the consolidated statement of activities.

**AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2007

Unconditional promises of contributions are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. The present value is calculated based on an estimated risk free rate of return at the time of the contribution, ranging from 3.0% to 5.4%.

Fees from exchange transactions are recognized as earned from reciprocal transfers of goods and services. Revenue received for a subscription plus membership is allocated between membership and subscription revenue based on the fair value of the subscription benefit. Subscription revenue is recorded as deferred revenue upon receipt and is then recognized over the term of the subscription, which is generally one year, beginning with the mailing of the first issue to the subscriber.

Split-interest agreements

The Association receives certain planned gift donations that benefit not only the Association, but also the donor or another beneficiary designated by the donor. These contributions are termed split-interest agreements and are generally gifts to be received by the Association in the future. The Association benefits from the following types of split-interest agreements: perpetual trusts, charitable lead and remainder trusts, gift annuities, and a pooled income fund.

The Association's share of split-interest agreements is included in either investments or contributions receivable. Assets of approximately \$13,058,000 are reported on the balance sheet as of December 31, 2007, and are valued at fair-value or at the present value of the estimated future receipts. Where applicable, estimated future payments are discounted at a risk-free rate of return based on the expected term of the split-interest agreements at the time the agreements are created, ranging from 3.2% to 7.6%. The rates approximate the rate of return at the time of the gift on U.S. government securities of similar duration commensurate with the risk that management associates with the ultimate collection of the gift. The change in value of the contributions based on present value calculations was approximately \$611,000 for the year ended December 31, 2007.

Amounts payable to beneficiaries, gift annuities payable, and pooled income fund liabilities of approximately \$1,802,000 are reported as accrued liabilities or deferred revenues on the consolidated balance sheet as of December 31, 2007.

**AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2007

Contributed services and materials

Contributed services and materials are reported in the consolidated statement of activities at the fair value of the services and materials received. Contributions of services are recognized if the services received create or enhance nonfinancial assets or if the services require specialized skills and would typically need to be purchased if not provided by donation.

Research program

The research program of the American Diabetes Association is administered through the American Diabetes Association Research Foundation, Inc. Research grants awarded by the Association generally extend over a period of one to three years, subject to renewal on an annual basis. The liability and related expenses are recorded when the recipients are notified of their annual award amount, and the liability is recorded as research grants payable in the accompanying consolidated balance sheet.

Concentrations of credit risk

Financial instruments that potentially subject the Association to concentrations of credit risk consist of deposits in banks and investments, including collateralized sweep repurchase agreements, in excess of the Federal Deposit Insurance Corporation, Securities Investor Protection Corporation and other privately insured limits. As of December 31, 2007, approximately \$7,391,000 was held at such institutions. The Association has not experienced any credit losses on these financial instruments in past years and management does not believe significant risk exists at December 31, 2007.

Management estimates and uncertainties

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2007

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statement of activities. Accordingly, certain costs have been allocated among program activities and supporting services as shown in the consolidated statement of functional expenses.

4. Investments

Investments as of December 31, 2007, including gift annuity and perpetual trust investments, consist of the following (in thousands):

| | |
|----------------------------|------------------|
| Real estate | \$ 12,850 |
| Fixed-income mutual funds | 9,358 |
| Corporate equities | 6,621 |
| Equity mutual funds | 5,044 |
| Certificates of deposit | 4,609 |
| Money market funds | 1,253 |
| U.S. government securities | 489 |
| Corporate bonds | 84 |
| Total investments | <u>\$ 40,308</u> |

The investment in real estate represents a 1999 donor bequest that restricted the Association from selling the property for 25 years. A portion of the property is leased to corporations and derives monthly rental income that is reported in investment income in the consolidated statement of activities.

Investment income for the year ended December 31, 2007 includes (in thousands):

| | |
|-----------------------------------|-----------------|
| Property rental income | \$ 3,632 |
| Net realized and unrealized gains | 73 |
| Interest and dividends | 2,123 |
| Investment fees | <u>(194)</u> |
| Total investment income, net | <u>\$ 5,634</u> |

**AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2007

5. Gift Annuities

Assets received from donors in exchange for a gift annuity are invested in U.S. government securities, fixed-income mutual funds, and money market funds, which are maintained separately from other investments of the Association. As of December 31, 2007, the market value of gift annuity investments was approximately \$3,592,000 and the present value of gift annuity obligations was approximately \$1,714,000. Reserves for gift annuities are investments held in separate accounts at a value equal to the original gift plus accrued income less beneficiary payments.

6. Accounts receivable

Accounts receivable are reported net of an allowance for doubtful accounts of approximately \$2,107,000 as of December 31, 2007. The Association's receivables consist of amounts due for program service fees, publications, advertising, land rental and other exchange transactions.

7. Contributions receivable

As of December 31, 2007, donors have unconditionally promised to give contributions to the Association due as follows (in thousands):

| | |
|---------------------------------------|------------------|
| Within one year | \$ 34,350 |
| One to five years | 11,238 |
| Greater than five years | <u>1,221</u> |
| Total contributions receivable | 46,809 |
| Less: allowance for doubtful accounts | (2,216) |
| Less: present value discount | <u>(958)</u> |
| Contributions receivable, net | <u>\$ 43,635</u> |

AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2007

8. Fixed assets

Fixed assets consisted of the following as of December 31, 2007 (in thousands):

| | |
|---|------------------------|
| Land | \$ 67 |
| Leasehold improvements | 1,310 |
| Software | 15,741 |
| Furniture, fixtures and equipment | <u>15,554</u> |
| Total fixed assets | 32,672 |
| Less: accumulated depreciation and amortization | <u>(23,356)</u> |
| Fixed assets, net | <u><u>\$ 9,316</u></u> |

9. Temporarily restricted net assets

Net assets were temporarily restricted for the following as of December 31, 2007 (in thousands):

| | |
|---|-------------------------|
| Information | \$ 5,799 |
| Advocacy | 3,467 |
| Sponsorship for fundraising activities | 1,718 |
| Time restricted for operations | <u>25,875</u> |
| Total temporarily restricted net assets | <u><u>\$ 36,859</u></u> |

**AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2007

10. Permanently restricted net assets

In accordance with donor stipulations, permanently restricted net assets are held (and invested) in perpetuity. The income derived from these net assets is to be used as follows (in thousands):

| | |
|---|-----------------|
| Research | \$ 1,759 |
| Information | 1,503 |
| Advocacy and public awareness | 182 |
| Discretion of the Association | <u>3,152</u> |
| Total permanently restricted net assets | <u>\$ 6,596</u> |

11. Contributed services and in-kind contributions

The Association recognizes as contribution revenue and as professional fees expense the fair value of services donated by certain volunteers in conjunction with the peer review process by the Grant Review Panel of the American Diabetes Association Research Foundation, Inc. and medical services provided in conjunction with the Association's program activities, primarily camp. The fair value of these services was estimated based on the number of hours worked valued at the estimated hourly rates of the professionals. The Association recognized approximately \$1,943,000, in medical services provided in conjunction with the Association's program activities during the year ended December 31, 2007. The Association also recognized approximately \$471,000 of contributed services related to the research review process during the year ended December 31, 2007.

Many other volunteers made significant contributions of time to the Association's program and supporting functions. The values of those contributed services do not meet the criteria for recognition and, accordingly, are not recognized as revenues and expenses in the accompanying consolidated statement of activities.

In-kind contributions of supplies are recognized as contribution revenue and supplies expense and totaled approximately \$2,245,000 for the year ended December 31, 2007.

AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2007

12. Allocation of joint costs

The Association conducts activities to distribute information related to diabetes and to appeal for funds. The joint costs incurred through these activities for the year ended December 31, 2007, were allocated as follows (in thousands):

| | |
|-------------------------------|------------------|
| Advocacy and public awareness | \$ 15,775 |
| Management and general | 3,676 |
| Fundraising | <u>24,698</u> |
| Total joint costs | <u>\$ 44,149</u> |

13. Pension plan

The Association has a defined contribution pension plan (the Plan) which covers most salaried employees who have reached the age of 21 and completed one year of service. Pension expense for the year ended December 31, 2007, was approximately \$2,414,000.

14. Self-insured benefits

The Association self-insures its employee medical and dental benefits. Losses from claims identified under the incident reporting system, as well as provisions for estimated losses for incurred but not reported incidents, are accrued based on estimates that incorporate the past experience of the Association, as well as other considerations, including the nature of the claims or incidents and relevant trend factors.

Self-insured risk for employee health benefits is secured through stop loss insurance policies which protect the Association should total claims exceed a specified limit in a plan year. This limit was \$4,900,000 in 2007.

The liability as of December 31, 2007 was approximately \$756,000 and is included in accounts payable and accrued liabilities in the accompanying balance sheet. Benefit expense under this plan was approximately \$4,269,000 for the year ended December 31, 2007. The benefit expense includes claims paid and changes to the reserve for future claims.

**AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2007

15. Line of credit

The Association has a secured line of credit with a bank at interest rates calculated as a factor of the London Interbank Offered Rate (LIBOR). The line of credit (\$10,000,000) was obtained for operating purposes and is subject to review and approval by the bank in August 2008. No amount was outstanding on the line as of December 31, 2007. Interest and fees for the year ended December 31, 2007, were approximately \$440,000.

The line of credit is available for working capital and for financing the purchase and implementation costs of computer equipment and software. The Association is required to maintain a certain debt service coverage ratio and a level of unrestricted, unencumbered marketable securities, cash and cash equivalents of not less than \$15,000,000.

16. Lease commitments

Operating leases

The Association is obligated under various noncancelable operating lease agreements for office facilities expiring at various dates between January 2008 and January 2017. Many of these agreements contain cost escalations providing for increases in rental rates. The Association recognizes rent expense on a straight-line basis over the life of the lease. The Association is also obligated under noncancelable operating leases for telephone and other equipment through April 2013.

As of December 31, 2007, the future minimum lease payments under operating leases with initial or remaining noncancelable lease terms in excess of one year were (in thousands):

| Year ending December 31, | |
|------------------------------|------------------|
| 2008 | \$ 7,874 |
| 2009 | 6,513 |
| 2010 | 5,333 |
| 2011 | 4,653 |
| 2012 | 3,525 |
| 2013 and thereafter | <u>12,157</u> |
| Total minimum lease payments | <u>\$ 40,055</u> |

Rent expense totaled approximately \$7,736,000 for the year ended December 31, 2007.

**AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2007

Capital leases

The Association leases telecommunications equipment under capital lease agreements expiring on various dates through 2009. No new assets were acquired under capital lease during the year ended December 31, 2007. Assets under capital lease were approximately \$3,723,000 and accumulated amortization on those assets was approximately \$3,224,000 as of December 31, 2007.

As of December 31, 2007, the future minimum lease payments under capital leases were (in thousands):

| | |
|------------------------------------|---------------|
| Year ending December 31, | |
| 2008 | \$ 387 |
| 2009 | 297 |
| | <hr/> |
| Total minimum lease payments | 684 |
| Less: Amount representing interest | (51) |
| | <hr/> |
| Present value of lease obligation | <u>\$ 633</u> |

17. Lease payments receivable

The Association holds leases on land that was donated in 1999 through a bequest. As part of the bequest, the donor restricted the Association from selling the land for 25 years from the date of the donation. As of December 31, 2007, the future minimum lease payments due to the Association under these leases were (in thousands):

| | |
|------------------------------|------------------|
| Year ended December 31, | |
| 2008 | \$ 1,252 |
| 2009 | 1,298 |
| 2010 | 1,306 |
| 2011 | 1,313 |
| 2012 | 1,337 |
| 2013 and thereafter | 55,180 |
| | <hr/> |
| Total minimum lease receipts | <u>\$ 61,686</u> |

AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2007

The accumulated difference between the rental income recognized and the straight-line value of the leases was approximately \$4,996,000 as of December 31, 2007. Due to market conditions, management believes a significant risk exists that future rent revenue will not be recognized; therefore, an allowance against the deferred rent has been recorded in the amount of \$1,357,000 as of December 31, 2007.

American Diabetes Association
Statement of Activities
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

Schedule I

| | Alabama | Alaska | Arizona | Arkansas | California | Colorado | Connecticut | Delaware | Florida | Georgia | Hawaii | Idaho | Illinois |
|--|------------|--------------|--------------|--------------|---------------|--------------|--------------|------------|---------------|--------------|-------------|------------|---------------|
| REVENUES | | | | | | | | | | | | | |
| Contributions: | | | | | | | | | | | | | |
| Direct contributions | \$ 740,621 | \$ 949,070 | \$ 3,366,763 | \$ 1,114,055 | \$ 19,334,378 | \$ 3,841,330 | \$ 2,034,846 | \$ 549,820 | \$ 7,063,190 | \$ 3,487,982 | \$ 877,777 | \$ 506,979 | \$ 9,737,046 |
| Indirect contributions | 76,543 | 82,236 | 285,907 | 18,321 | 710,051 | 155,086 | 405,082 | 46,850 | 200,877 | 250,340 | 106,088 | 4,478 | 288,032 |
| Government grants | - | 16,700 | - | - | 52,183 | - | - | 28,293 | - | - | - | - | - |
| Total Contributions | 817,164 | 1,048,006 | 3,652,670 | 1,132,376 | 20,044,429 | 4,048,599 | 2,439,928 | 624,963 | 7,264,067 | 3,738,322 | 983,865 | 511,457 | 10,025,078 |
| Program Service Fees: | | | | | | | | | | | | | |
| Sales of Materials | - | - | 2,000 | - | 371 | 1,558 | 1,010 | - | 2,746 | 4,276 | - | 22 | 37 |
| Subscription Income (excludes advertising) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Ticketed Meal Functions | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Booth Rental | - | - | 450 | - | 1,400 | - | - | - | 8,050 | 17,130 | - | - | 100 |
| Registration | - | 7,560 | 83,777 | 9,600 | 32,605 | 109,127 | 10,647 | 10,825 | 166,235 | 6,955 | 4,485 | - | 211,503 |
| Other Program Service Fees | - | - | - | - | 758 | 256 | 332 | - | 6,143 | 1,811 | - | - | 71 |
| Total Program Service Revenue | - | 7,560 | 86,227 | 9,600 | 33,134 | 110,941 | 11,989 | 10,825 | 183,174 | 30,172 | 4,485 | 22 | 211,711 |
| Membership Dues | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Income (cash equivalents) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Dividend/Interest Income (securities) | - | - | - | 1,131 | - | - | - | - | 1,254 | - | - | - | 2,463 |
| Other Investment Income | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gross Rents | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Less: Rental Expenses | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Rental Income | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Amount from Sale of Securities | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Less: Cost or Basis | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Gain (Loss) from Sale of Securities | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Amount from Sale of Fixed Assets | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Less: Cost or Basis | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Gain (Loss) from Sale of Fixed Assets | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gross Revenue from Special Events | 56,007 | 117,534 | 230,678 | 92,333 | 1,070,311 | 136,372 | 82,911 | 50,775 | 419,237 | 204,960 | 25,583 | 2,269 | 378,566 |
| Less: Direct Benefit Expenses | (56,007) | (117,534) | (230,678) | (92,333) | (1,070,311) | (136,372) | (82,911) | (50,775) | (419,237) | (204,960) | (25,583) | (2,269) | (378,566) |
| Net Income from Special Events | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Revenue: | | | | | | | | | | | | | |
| Royalty | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Advertising Income | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other revenue | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Other Revenue | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL REVENUES | 817,164 | 1,055,566 | 3,738,897 | 1,143,107 | 20,079,563 | 4,159,540 | 2,451,917 | 635,788 | 7,448,495 | 3,768,494 | 988,350 | 511,479 | 10,239,252 |
| EXPENSES | | | | | | | | | | | | | |
| Program Activities: | | | | | | | | | | | | | |
| Research | 147,039 | 186,022 | 815,793 | 279,419 | 5,164,299 | 924,083 | 674,887 | 621 | 1,779,297 | 932,888 | 203,318 | 181,442 | 2,512,985 |
| Information | 94,300 | 178,739 | 449,449 | 117,600 | 1,353,643 | 639,897 | 129,976 | 85,986 | 770,351 | 225,177 | 132,068 | 1,734 | 757,711 |
| Advocacy & Public Awareness | 164,404 | 184,688 | 551,452 | 130,174 | 2,350,350 | 618,834 | 257,916 | 35,019 | 938,029 | 524,719 | 155,891 | 4,124 | 868,978 |
| Subtotal Program Activities | 405,743 | 549,449 | 1,816,694 | 527,193 | 8,868,292 | 2,182,814 | 1,062,779 | 121,626 | 3,487,677 | 1,682,784 | 491,277 | 187,300 | 4,139,674 |
| Management and General | 3,492 | 4,516 | 10,669 | 2,938 | 49,442 | 8,472 | 4,748 | 600 | 19,741 | 7,978 | 3,820 | 77 | 18,525 |
| Fundraising | 147,040 | 183,756 | 500,944 | 124,615 | 2,209,013 | 372,071 | 210,917 | 34,143 | 868,104 | 426,487 | 143,956 | 3,759 | 761,873 |
| TOTAL EXPENSES | 556,275 | 737,721 | 2,328,307 | 654,746 | 11,126,747 | 2,563,357 | 1,278,444 | 156,369 | 4,375,522 | 2,117,249 | 639,053 | 191,136 | 4,920,072 |
| NET ASSETS | | | | | | | | | | | | | |
| Excess (Deficit) | 260,889 | 317,845 | 1,410,590 | 488,361 | 8,952,816 | 1,596,183 | 1,173,473 | 479,419 | 3,072,973 | 1,651,245 | 349,297 | 320,343 | 5,319,180 |
| Beginning Net Assets | 248,693 | (963,558) | 2,623,390 | 1,352,114 | 12,344,250 | 2,892,016 | 3,387,265 | 182,183 | 8,388,716 | (1,463,276) | (417,210) | (215,610) | 20,285,505 |
| Other Changes in Net Assets | - | - | - | - | - | - | - | - | - | - | - | - | - |
| ENDING NET ASSETS | \$ 509,582 | \$ (645,713) | \$ 4,032,980 | \$ 1,840,475 | \$ 21,297,066 | \$ 4,488,199 | \$ 4,560,738 | \$ 661,602 | \$ 11,461,689 | \$ 187,969 | \$ (67,913) | \$ 104,733 | \$ 25,604,685 |

American Diabetes Association
Statement of Activities
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

Schedule 1

| | Indiana | Iowa | Kansas | Kentucky | Louisiana | Maine | Maryland | Massachusetts | Michigan | Minnesota | Mississippi | Missouri | Montana |
|--|--------------|--------------|--------------|--------------|--------------|------------|--------------|---------------|---------------|--------------|--------------|--------------|--------------|
| REVENUES | | | | | | | | | | | | | |
| Contributions: | | | | | | | | | | | | | |
| Direct contributions | \$ 2,245,443 | \$ 1,930,406 | \$ 977,766 | \$ 1,432,354 | \$ 1,490,905 | \$ 688,643 | \$ 2,319,144 | \$ 3,341,609 | \$ 4,538,230 | \$ 3,361,274 | \$ 47,096 | \$ 5,108,195 | \$ 223,711 |
| Indirect contributions | 98,947 | 95,852 | 28,220 | 73,780 | 82,812 | 20,514 | 350,722 | 170,485 | 535,917 | 367,791 | 197 | 411,399 | 3,052 |
| Government grants | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Contributions | 2,344,390 | 2,026,258 | 1,005,986 | 1,506,134 | 1,573,717 | 709,157 | 2,669,866 | 3,512,094 | 5,074,147 | 3,729,065 | 47,293 | 5,519,594 | 229,763 |
| Program Service Fees: | | | | | | | | | | | | | |
| Sales of Materials | - | 1,074 | - | 9 | - | - | - | 1,021 | 1,902 | 5,282 | - | 561 | - |
| Subscription Income (excludes advertising) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Ticketed Meal Functions | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Booth Rental | 500 | - | 610 | 650 | - | - | - | - | 750 | - | - | 3,495 | 2,000 |
| Registration | 32,575 | 10,825 | 42,802 | 26,580 | - | - | - | 23,664 | 182,866 | (555) | - | 102,762 | 21,455 |
| Other Program Service Fees | - | 7 | 500 | - | 1,405 | - | 39 | 40 | 3,088 | 3,312 | - | (525) | - |
| Total Program Service Revenue | 33,075 | 11,906 | 43,912 | 27,239 | 1,405 | - | 39 | 24,725 | 188,606 | 8,039 | - | 106,293 | 23,455 |
| Membership Dues | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Income (cash equivalents) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Dividend/Interest Income (securities) | 524 | - | - | 3,629 | - | - | - | 13,500 | 3,661 | - | 3,037 | - | - |
| Other Investment Income | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gross Rents | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Less: Rental Expenses | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Rental Income | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Amount from Sale of Securities | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Less: Cost or Basis | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Gain (Loss) from Sale of Securities | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Amount from Sale of Fixed Assets | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Less: Cost or Basis | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Gain (Loss) from Sale of Fixed Assets | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gross Revenue from Special Events | 143,987 | 56,866 | 64,697 | 121,906 | 59,669 | 20,754 | 149,788 | 157,987 | 192,934 | 145,887 | 1,256 | 251,323 | - |
| Excluding Contributions Reported Above | (143,987) | (56,866) | (64,697) | (121,906) | (59,669) | (20,754) | (149,788) | (157,987) | (192,934) | (145,887) | (1,256) | (251,323) | - |
| Less: Direct Benefit Expenses | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Income from Special Events | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Revenue: | | | | | | | | | | | | | |
| Royalty | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Advertising Income | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other revenue | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Other Revenue | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL REVENUES | 2,377,989 | 2,038,194 | 1,049,898 | 1,537,002 | 1,575,122 | 709,157 | 2,669,905 | 3,530,319 | 5,266,414 | 3,737,104 | 50,330 | 5,625,887 | 253,218 |
| EXPENSES | | | | | | | | | | | | | |
| Program Activities: | | | | | | | | | | | | | |
| Research | 513,252 | 570,804 | 203,536 | 375,566 | 391,110 | 169,640 | 707,474 | 838,954 | 1,194,774 | 1,064,776 | 10,813 | 1,747,282 | 35,473 |
| Information | 332,308 | 127,669 | 224,246 | 208,058 | 173,778 | 56,097 | 244,700 | 347,313 | 778,861 | 190,072 | 3,679 | 544,047 | 102,077 |
| Advocacy & Public Awareness | 312,488 | 186,597 | 109,716 | 181,081 | 179,637 | 99,515 | 424,977 | 740,106 | 639,080 | 496,060 | 7,194 | 568,306 | 27,488 |
| Subtotal Program Activities | 1,158,048 | 885,070 | 537,498 | 764,705 | 744,525 | 325,252 | 1,377,151 | 1,926,373 | 2,612,715 | 1,750,908 | 21,686 | 2,839,635 | 165,038 |
| Management and General | 7,864 | 4,139 | 2,737 | 4,112 | 4,140 | 2,148 | 10,322 | 12,765 | 13,014 | 8,575 | 155 | 13,700 | 686 |
| Fundraising | 306,437 | 192,095 | 107,839 | 181,785 | 160,367 | 93,890 | 423,463 | 520,789 | 569,451 | 344,522 | 5,884 | 569,523 | 25,678 |
| TOTAL EXPENSES | 1,472,349 | 1,081,304 | 648,074 | 950,602 | 909,032 | 421,290 | 1,810,936 | 2,459,927 | 3,195,180 | 2,104,005 | 27,725 | 3,442,858 | 191,402 |
| NET ASSETS | | | | | | | | | | | | | |
| Excess (Deficit) | 905,640 | 956,890 | 401,824 | 586,400 | 666,090 | 287,867 | 858,969 | 1,090,392 | 2,071,234 | 1,633,099 | 22,605 | 2,183,029 | 61,816 |
| Beginning Net Assets | 3,370,386 | 3,147,371 | 1,864,537 | 402,296 | (738,591) | 538,091 | 2,800,648 | 1,171,369 | 10,236,682 | 6,762,325 | (414,763) | 5,414,753 | (673,945) |
| Other Changes in Net Assets | - | - | - | - | - | - | - | - | - | - | - | - | - |
| ENDING NET ASSETS | \$ 4,276,026 | \$ 4,104,261 | \$ 2,266,361 | \$ 988,696 | \$ (72,501) | \$ 825,958 | \$ 3,659,617 | \$ 2,261,761 | \$ 12,307,916 | \$ 8,395,424 | \$ (392,158) | \$ 7,597,782 | \$ (612,129) |

See accompanying note to the supplemental schedules.

American Diabetes Association
Statement of Activities
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

Schedule I

| | Nebraska | Nevada | New Hampshire | New Jersey | New Mexico | New York | N. Carolina | N. Dakota | Ohio | Oklahoma | Oregon | Pennsylvania |
|--|--------------|------------|---------------|--------------|--------------|---------------|--------------|------------|--------------|--------------|--------------|--------------|
| REVENUES | | | | | | | | | | | | |
| Contributions: | | | | | | | | | | | | |
| Direct contributions | \$ 412,311 | \$ 513,528 | \$ 529,510 | \$ 5,262,566 | \$ 1,287,760 | \$ 10,869,316 | \$ 3,172,184 | \$ 305,561 | \$ 3,890,738 | \$ 1,247,908 | \$ 2,715,502 | \$ 6,853,232 |
| Indirect contributions | 84,102 | 33,538 | 3,543 | 287,694 | 61,346 | 656,658 | 248,082 | 36,443 | 146,743 | 64,996 | 31,012 | 346,755 |
| Government grants | | | | 5,350 | | | | | | | 3,817 | |
| Total Contributions | 496,413 | 547,066 | 533,053 | 5,550,260 | 1,354,456 | 11,525,974 | 3,420,266 | 342,004 | 4,037,481 | 1,312,904 | 2,750,331 | 7,199,987 |
| Program Service Fees: | | | | | | | | | | | | |
| Sales of Materials | 2,645 | - | - | - | - | 39 | - | - | 177 | 59 | 3,726 | 798 |
| Subscription Income (excludes advertising) | - | - | - | - | - | - | - | - | - | - | - | - |
| Ticketed Meal Functions | - | - | - | - | - | - | - | - | - | - | - | - |
| Booth Rental | - | - | - | - | - | - | - | - | 2,800 | - | 500 | - |
| Registration | 17 | - | 87,450 | - | 23,980 | 74,760 | 64,024 | 8,090 | 45,745 | - | 23,125 | 92,235 |
| Other Program Service Fees | | | 3,010 | 1,793 | | | | 40 | 7 | | 35 | |
| Total Program Service Revenue | 2,662 | - | 90,460 | 23,980 | 23,980 | 76,552 | 64,024 | 8,130 | 48,729 | 59 | 27,386 | 93,033 |
| Membership Dues | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Income (cash equivalents) | - | - | - | - | - | - | - | - | - | - | - | - |
| Dividend/Interest Income (securities) | - | - | - | - | - | 3,045 | 7,246 | - | 1,279 | 2,668 | 1,423 | 20,000 |
| Other Investment Income | - | - | - | - | - | - | - | - | - | - | - | - |
| Gross Rents | - | - | - | - | - | - | - | - | - | - | - | - |
| Less: Rental Expenses | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Rental Income | - | - | - | - | - | - | - | - | - | - | - | - |
| Amount from Sale of Securities | - | - | - | - | - | - | - | - | - | - | - | - |
| Less: Cost or Basis | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Gain (Loss) from Sale of Securities | - | - | - | - | - | - | - | - | - | - | - | - |
| Amount from Sale of Fixed Assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Less: Cost or Basis | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Gain (Loss) from Sale of Fixed Assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Gross Revenue from Special Events | - | - | - | - | - | - | - | - | - | - | - | - |
| Excluding Contributions Reported Above | 32,899 | 48,747 | 17,411 | 201,689 | 12,695 | 566,439 | 167,986 | 7,330 | 270,327 | 66,879 | 176,037 | 352,229 |
| Less: Direct Benefit Expenses | (32,899) | (48,747) | (17,411) | (201,689) | (12,695) | (566,439) | (167,986) | (7,330) | (270,327) | (66,879) | (176,037) | (352,229) |
| Net Income from Special Events | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Revenue: | | | | | | | | | | | | |
| Royalty | - | - | - | - | - | - | - | - | - | - | - | - |
| Advertising Income | - | - | - | - | - | - | - | - | - | - | - | - |
| Other revenue | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Other Revenue | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL REVENUES | 499,075 | 547,066 | 623,513 | 5,550,260 | 1,378,436 | 11,605,611 | 3,491,536 | 350,134 | 4,087,489 | 1,315,631 | 2,779,140 | 7,313,020 |
| EXPENSES | | | | | | | | | | | | |
| Program Activities: | | | | | | | | | | | | |
| Research | 101,859 | 123,283 | 447 | 1,555,113 | 385,420 | 2,811,823 | 830,520 | 40,419 | 880,168 | 318,350 | 697,667 | 1,710,088 |
| Information | 45,457 | 40,738 | 205,096 | 255,487 | 140,589 | 903,891 | 426,671 | 155,031 | 478,726 | 96,449 | 241,508 | 717,193 |
| Advocacy & Public Awareness | 84,127 | 85,772 | 28,460 | 478,619 | 90,115 | 1,622,237 | 369,823 | 46,705 | 552,601 | 173,073 | 406,329 | 1,139,492 |
| Subtotal Program Activities | 231,443 | 249,793 | 234,003 | 2,289,219 | 616,124 | 5,337,951 | 1,627,014 | 242,155 | 1,911,495 | 587,872 | 1,345,504 | 3,566,773 |
| Management and General | 1,927 | 1,785 | 441 | 11,621 | 2,095 | 32,617 | 8,700 | 1,157 | 12,010 | 4,261 | 6,455 | 21,366 |
| Fundraising | 84,948 | 85,872 | 28,016 | 463,232 | 80,455 | 1,420,426 | 396,056 | 45,452 | 554,852 | 172,460 | 279,798 | 943,989 |
| TOTAL EXPENSES | 318,318 | 337,450 | 262,460 | 2,764,072 | 698,674 | 6,790,994 | 2,031,770 | 288,764 | 2,478,357 | 764,593 | 1,631,757 | 4,532,128 |
| NET ASSETS | | | | | | | | | | | | |
| Excess (Deficit) | 180,757 | 209,616 | 361,053 | 2,786,188 | 679,762 | 4,814,617 | 1,459,766 | 61,370 | 1,609,132 | 551,038 | 1,147,383 | 2,780,892 |
| Beginning Net Assets | 1,568,747 | 344,050 | 1,242,359 | 5,398,699 | 204,656 | 9,550,852 | 1,530,505 | (54,644) | 3,318,769 | 732,394 | 1,147,015 | 4,667,419 |
| Other Changes in Net Assets | | | | | | | | | | | | |
| ENDING NET ASSETS | \$ 1,749,504 | \$ 553,666 | \$ 1,603,412 | \$ 8,184,887 | \$ 884,418 | \$ 14,365,469 | \$ 2,990,271 | \$ 6,726 | \$ 4,927,901 | \$ 1,283,432 | \$ 2,294,398 | \$ 7,448,311 |

See accompanying note to the supplemental schedules.

American Diabetes Association
Statement of Activities
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

Schedule I

| | Rhode Island | S. Carolina | S. Dakota | Tennessee | Texas | Utah | Vermont | Virginia | Washington | Washington D.C. | W. Virginia | Wisconsin |
|--|--------------|-------------|------------|--------------|---------------|--------------|------------|---------------|--------------|-----------------|-------------|----------------|
| REVENUES | | | | | | | | | | | | |
| Contributions: | | | | | | | | | | | | |
| Direct contributions | \$ 289,968 | \$ 969,341 | \$ 162,963 | \$ 2,362,708 | \$ 10,658,681 | \$ 1,164,250 | \$ 367,497 | \$ 3,818,735 | \$ 2,906,193 | \$ 1,312,801 | \$ 276,743 | \$ 3,063,127 |
| Indirect contributions | 9,458 | 53,413 | 31,640 | 134,705 | 425,090 | 52,887 | 12,758 | 428,839 | 289,127 | 510,886 | 22,204 | 160,670 |
| Government grants | | | | | 91,037 | | | | | | | |
| Total Contributions | 299,426 | 1,022,754 | 194,603 | 2,497,413 | 11,174,808 | 1,217,137 | 380,255 | 4,247,574 | 3,195,320 | 1,823,687 | 298,947 | 3,223,797 |
| Program Service Fees: | | | | | | | | | | | | |
| Sales of Materials | | | 976 | | 1,280 | 1,894 | | 56 | 2,017 | | | 10 |
| Subscription Income (excludes advertising) | | | | | | | | | | | | |
| Ticketed Meal Functions | | | | | | | | | | | | |
| Booth Rental | | | | | 2,625 | | | 300 | | | | 2,400 |
| Registration | | 1,940 | | 2,390 | 44,732 | 3,513 | 4,975 | 3,370 | 10,920 | | 1,740 | 216,571 |
| Other Program Service Fees | | | 6 | | 1,792 | 157 | | 291 | | 212 | 65 | 1,695 |
| Total Program Service Revenue | | 1,940 | 982 | 2,390 | 50,449 | 5,564 | 4,975 | 4,017 | 12,937 | 212 | 1,805 | 220,676 |
| Membership Dues | | | | | | | | | | | | |
| Interest Income (cash equivalents) | | | | | | | | | | | | |
| Dividend/Interest Income (securities) | | | | | | | | 8,500 | | | | 8,101 |
| Other Investment Income | | | | | | | | | | | | |
| Gross Rents | | | | | | | | | | | | |
| Less: Rental Expenses | | | | | | | | | | | | |
| Net Rental Income | | | | | | | | | | | | |
| Amount from Sale of Securities | | | | | | | | | | | | |
| Less: Cost or Basis | | | | | | | | | | | | |
| Net Gain (Loss) from Sale of Securities | | | | | | | | | | | | |
| Amount from Sale of Fixed Assets | | | | | | | | | | | | |
| Less: Cost or Basis | | | | | | | | | | | | |
| Net Gain (Loss) from Sale of Fixed Assets | | | | | | | | | | | | |
| Gross Revenue from Special Events | 16,693 | 74,967 | 2,466 | 201,758 | 953,299 | 60,189 | 10,097 | 248,595 | 131,046 | 127,062 | 33,087 | 157,970 |
| Excluding Contributions Reported Above | (16,693) | (74,967) | (2,466) | (201,758) | (953,299) | (60,189) | (10,097) | (248,595) | (131,046) | (127,062) | (33,087) | (157,970) |
| Less: Direct Benefit Expenses | | | | | | | | | | | | |
| Net Income from Special Events | | | | | | | | | | | | |
| Other Revenue: | | | | | | | | | | | | |
| Royalty | | | | | | | | | | | | |
| Advertising Income | | | | | | | | | | | | |
| Other revenue | | | | | | | | | | | | |
| Total Other Revenue | | | | | | | | | | | | |
| TOTAL REVENUES | 299,426 | 1,024,694 | 195,585 | 2,499,803 | 11,225,257 | 1,222,701 | 385,230 | 4,260,091 | 3,208,257 | 1,823,899 | 300,752 | 3,452,574 |
| EXPENSES | | | | | | | | | | | | |
| Program Activities: | | | | | | | | | | | | |
| Research | 62,423 | 327,916 | 44,802 | 472,287 | 2,479,130 | 272,878 | 101,297 | 1,125,309 | 643,187 | 429,180 | 106,984 | 684,038 |
| Information | 33,908 | 47,978 | 14,896 | 276,419 | 1,189,656 | 95,071 | 31,382 | 241,953 | 365,092 | 146,233 | 32,017 | 698,286 |
| Advocacy & Public Awareness | 59,717 | 56,163 | 27,776 | 485,463 | 1,760,360 | 208,734 | 46,171 | 458,446 | 573,553 | 294,004 | 52,710 | 334,652 |
| Subtotal Program Activities | 156,048 | 432,057 | 87,474 | 1,234,169 | 5,429,146 | 576,683 | 178,850 | 1,825,708 | 1,581,832 | 869,417 | 191,711 | 1,716,976 |
| Management and General | 1,338 | 1,015 | 628 | 11,038 | 36,871 | 3,281 | 1,043 | 10,459 | 11,109 | 6,390 | 1,239 | 8,338 |
| Fundraising | 55,638 | 54,870 | 31,602 | 487,572 | 1,511,460 | 168,060 | 44,581 | 451,944 | 450,170 | 285,402 | 51,978 | 331,886 |
| TOTAL EXPENSES | 213,024 | 487,942 | 119,704 | 1,732,779 | 6,977,477 | 748,024 | 224,474 | 2,288,111 | 2,043,111 | 1,161,209 | 244,928 | 2,057,200 |
| NET ASSETS | | | | | | | | | | | | |
| Excess (Deficit) | 86,402 | 536,752 | 75,881 | 767,024 | 4,247,780 | 474,677 | 160,756 | 1,971,980 | 1,165,146 | 662,690 | 55,824 | 1,395,374 |
| Beginning Net Assets | 766,520 | 15,941 | 72,817 | 1,246,691 | 1,573,258 | (224,210) | 432,404 | 9,476,564 | 766,796 | (259,250) | 227,699 | (8,906,663) |
| Other Changes in Net Assets | | | | | | | | | | | | |
| ENDING NET ASSETS | \$ 852,922 | \$ 552,693 | \$ 148,698 | \$ 2,013,715 | \$ 5,821,038 | \$ 250,467 | \$ 593,160 | \$ 11,448,544 | \$ 1,931,942 | \$ 403,440 | \$ 283,523 | \$ (7,511,280) |

See accompanying note to the supplemental schedules.

American Diabetes Association
Statement of Activities
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

| | Wyoming | National Office | ADA 990 TOTAL | ADA Research Foundation 990 | ADA Property Title Holding Corporation 990 | Shaping America's Health 990 | Eliminations And Other Adjustments | Financial versus Tax Reporting Differences | CONSOLIDATED AUDITED FINANCIAL STATEMENTS |
|--|--------------|------------------|----------------|-----------------------------|--|------------------------------|------------------------------------|--|---|
| REVENUES | | | | | | | | | |
| Contributions: | | | | | | | | | |
| Direct contributions | \$ 14,101 | \$ 14,089,879 | \$ 159,825,736 | \$ 5,689,741 | \$ - | \$ 1,256,391 | \$ (1,326,407) | \$ 2,414,317 | \$ 167,859,778 |
| Indirect contributions | 140 | 871,672 | 9,874,010 | 37,454,507 | - | - | (37,454,507) | - | 9,874,010 |
| Government grants | - | - | 200,380 | - | - | - | - | - | 200,380 |
| Total Contributions | 14,241 | 14,961,551 | 169,900,126 | 43,144,248 | - | 1,256,391 | (38,780,914) | 2,414,317 | 177,934,168 |
| Program Service Fees: | | | | | | | | | |
| Sales of Materials | - | 8,479,285 | 8,514,831 | - | - | - | - | - | 8,514,831 |
| Subscription Income (excludes advertising) | - | 15,876,224 | 15,876,224 | - | - | - | - | - | 15,876,224 |
| Ticketed Meal Functions | - | - | - | - | - | - | - | - | - |
| Booth Rental | - | 3,699,812 | 3,743,572 | - | - | - | - | - | 3,743,572 |
| Registration | - | 6,323,200 | 8,129,073 | - | - | - | - | - | 8,129,073 |
| Other Program Service Fees | - | 865,183 | 891,540 | - | 3,631,634 | - | (3,631,634) | - | 891,540 |
| Total Program Service Revenue | - | 35,243,704 | 37,155,240 | - | 3,631,634 | - | (3,631,634) | - | 37,155,240 |
| Membership Dues | - | 3,033,034 | 3,033,034 | - | - | - | - | - | 3,033,034 |
| Interest Income (cash equivalents) | - | 1,144 | 1,144 | - | - | - | - | - | 1,144 |
| Dividend/Interest Income (securities) | - | 1,846,266 | 1,927,727 | - | - | - | - | - | 1,927,727 |
| Other Investment Income | - | 3,631,634 | 3,631,634 | - | - | - | - | 108,693 | 3,740,327 |
| Gross Rents | - | - | - | - | - | - | - | - | - |
| Less: Rental Expenses | - | - | - | - | - | - | - | - | - |
| Net Rental Income | - | - | - | - | - | - | - | - | - |
| Amount from Sale of Securities | - | 58,028,035 | 58,028,035 | - | - | - | - | - | 58,028,035 |
| Less: Cost or Basis | - | (58,063,443) | (58,063,443) | - | - | - | - | - | (58,063,443) |
| Net Gain (Loss) from Sale of Securities | - | (35,408) | (35,408) | - | - | - | - | - | (35,408) |
| Amount from Sale of Fixed Assets | - | - | - | - | - | - | - | - | - |
| Less: Cost or Basis | - | - | - | - | - | - | - | - | - |
| Net Gain (Loss) from Sale of Fixed Assets | - | - | - | - | - | - | - | - | - |
| Gross Revenue from Special Events | - | 9,804 | 8,182,291 | - | - | - | - | - | 8,182,291 |
| Less: Direct Benefit Expenses | - | (9,804) | (8,182,291) | - | - | - | - | - | (8,182,291) |
| Net Income from Special Events | - | - | - | - | - | - | - | - | - |
| Other Revenue: | | | | | | | | | |
| Royalty | - | 550,748 | 550,748 | - | - | - | - | - | 550,748 |
| Advertising Income | - | 8,399,136 | 8,399,136 | - | - | - | - | - | 8,399,136 |
| Other revenue | - | 1,069,238 | 1,069,238 | - | - | - | - | - | 1,069,238 |
| Total Other Revenue | - | 10,019,122 | 10,019,122 | - | - | - | - | - | 10,019,122 |
| TOTAL REVENUES | 14,241 | 68,701,047 | 225,632,619 | 43,144,248 | 3,631,634 | 1,256,391 | (42,412,548) | 2,523,010 | 233,775,354 |
| EXPENSES | | | | | | | | | |
| Program Activities: | | | | | | | | | |
| Research | 2,939 | 11,580,770 | 49,413,844 | 41,910,465 | - | - | (37,454,507) | 471,042 | 54,340,844 |
| Information | 432 | 47,062,483 | 62,212,178 | - | - | 151,679 | - | 1,943,275 | 64,307,132 |
| Advocacy & Public Awareness | 746 | 29,232,089 | 49,424,760 | - | - | 2,271,094 | (160,190) | - | 51,535,664 |
| Subtotal Program Activities | 4,117 | 87,875,342 | 161,050,782 | 41,910,465 | - | 2,422,773 | (37,614,697) | 2,414,317 | 170,183,640 |
| Management and General | 17 | 8,516,760 | 8,933,336 | 483,628 | - | 75,840 | (493,051) | - | 8,999,753 |
| Fundraising | 696 | 30,915,614 | 48,885,430 | 654,320 | - | 151,681 | (673,166) | - | 49,018,265 |
| TOTAL EXPENSES | 4,830 | 127,307,716 | 218,869,548 | 43,048,413 | - | 2,650,294 | (38,780,914) | 2,414,317 | 228,201,658 |
| NET ASSETS | | | | | | | | | |
| Excess (Deficit) | 9,411 | (58,606,669) | 6,763,071 | 95,835 | 3,631,634 | (1,393,903) | (3,631,634) | 108,693 | 5,573,696 |
| Beginning Net Assets | (119,924) | (47,214,910) | 70,029,191 | - | 12,850,000 | (160,097) | (12,850,000) | - | 69,869,094 |
| Other Changes in Net Assets | - | 108,693 | 108,693 | - | (3,631,634) | - | 3,631,634 | (108,693) | - |
| ENDING NET ASSETS | \$ (110,513) | \$ (105,712,886) | \$ 76,900,955 | \$ 95,835 | \$ 12,850,000 | \$ (1,554,000) | \$ (12,850,000) | \$ - | \$ 75,442,790 |

American Diabetes Association
Statement of Functional Expenses
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

| | Alabama | | | | Alaska | | | | Arizona | | | |
|----------------------------------|-------------|-------------|-------------|------------|-------------|-------------|-------------|------------|--------------|-------------|-------------|--------------|
| | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total |
| Grants and Allocations | \$ 145,908 | \$ - | \$ - | \$ 145,908 | \$ 181,502 | \$ - | \$ - | \$ 181,502 | \$ 805,492 | \$ - | \$ - | \$ 805,492 |
| Employee Costs: | | | | | | | | | | | | |
| Salaries | 138,660 | 2,222 | 83,118 | 224,000 | 183,223 | 2,955 | 109,343 | 295,521 | 419,326 | 6,749 | 250,773 | 676,848 |
| Pension Plan Contribution | 4,102 | 66 | 2,448 | 6,616 | 12,367 | 199 | 7,381 | 19,947 | 23,454 | 378 | 13,997 | 37,829 |
| Other Employee Costs | 11,917 | 192 | 7,112 | 19,221 | 16,531 | 267 | 9,865 | 26,663 | 42,152 | 680 | 25,155 | 67,987 |
| Payroll Taxes | 12,062 | 195 | 7,198 | 19,455 | 15,918 | 257 | 9,500 | 25,675 | 34,965 | 564 | 20,866 | 56,395 |
| Subtotal Employee Costs | 166,741 | 2,675 | 99,876 | 269,292 | 228,039 | 3,678 | 136,089 | 367,806 | 519,097 | 8,371 | 310,791 | 839,059 |
| Professional fees: | | | | | | | | | | | | |
| Professional Fundraising Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Accounting Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Legal Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Professional Fees | - | - | - | - | 11,302 | - | 750 | 12,052 | 6,435 | - | 3,600 | 10,036 |
| Subtotal Professional Fees | - | - | - | - | 11,302 | - | 750 | 12,052 | 6,435 | - | 3,600 | 10,036 |
| Supplies | 11,463 | - | 3,965 | 15,428 | 36,986 | 117 | 4,725 | 41,828 | 102,345 | 153 | 16,901 | 119,399 |
| Telecommunications | 5,837 | 82 | 3,217 | 9,136 | 9,322 | 150 | 5,548 | 15,020 | 4,871 | 78 | 2,896 | 7,845 |
| Postage and Shipping | 10,700 | 32 | 6,180 | 16,912 | 12,657 | 71 | 5,288 | 18,016 | 19,099 | 47 | 18,079 | 37,225 |
| Occupancy | 22,931 | 362 | 13,386 | 36,679 | 38,576 | 307 | 11,346 | 50,229 | 186,525 | 1,048 | 39,187 | 226,760 |
| Equipment Rental and Maintenance | 7,017 | 113 | 4,188 | 11,318 | 2,553 | 41 | 1,524 | 4,118 | 6,990 | 98 | 3,806 | 10,894 |
| Printing and Publications | 20,181 | 71 | 8,905 | 29,157 | 13,215 | 31 | 11,187 | 24,433 | 42,182 | 21 | 61,003 | 103,206 |
| Travel | 12,220 | 52 | 5,597 | 17,869 | 14,348 | 93 | 5,064 | 19,505 | 24,157 | 109 | 24,793 | 49,059 |
| Conference and Meetings | 903 | 39 | 367 | 1,309 | 779 | 18 | 408 | 1,205 | 83,490 | 277 | 3,380 | 87,147 |
| Data Processing | - | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous: | | | | | | | | | | | | |
| Interest | - | - | - | - | - | - | - | - | - | - | - | - |
| Membership Dues | 590 | 10 | 352 | 952 | 65 | 1 | 39 | 105 | 440 | 7 | 263 | 710 |
| Insurance | 1,253 | - | 1,007 | 2,261 | 105 | - | 973 | 1,078 | 290 | - | 460 | 750 |
| Other | 1,842 | 12 | 1,359 | 3,213 | 170 | 10 | 1,827 | 2,007 | 14,481 | 459 | 15,785 | 30,725 |
| Subtotal Miscellaneous | 3,685 | 22 | 2,718 | 6,425 | 340 | 11 | 1,502 | 493 | 15,211 | 466 | 16,508 | 32,185 |
| Total Functional Expenses | \$ 405,743 | \$ 3,492 | \$ 147,040 | \$ 556,275 | \$ 519,449 | \$ 4,516 | \$ 183,756 | \$ 737,721 | \$ 1,816,694 | \$ 10,669 | \$ 500,944 | \$ 2,338,307 |

American Diabetes Association
Statement of Functional Expenses
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

| | Arkansas | | | California | | | Colorado | | | | | |
|----------------------------------|-------------|-------------|-------------|------------|--------------|-------------|--------------|---------------|--------------|-------------|-------------|--------------|
| | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total |
| Grants and Allocations | \$ 276,426 | \$ - | \$ - | \$ 276,426 | \$ 5,114,712 | \$ - | \$ - | \$ 5,114,712 | \$ 915,487 | \$ - | \$ - | \$ 915,487 |
| Employee Costs: | | | | | | | | | | | | |
| Salaries | 116,473 | 1,878 | 69,509 | 187,860 | 1,945,966 | 31,386 | 1,161,303 | 3,138,655 | 352,020 | 5,678 | 210,076 | 567,774 |
| Pension Plan Contribution | 5,036 | 81 | 3,005 | 8,122 | 93,258 | 1,504 | 55,654 | 150,416 | 13,259 | 214 | 7,913 | 21,386 |
| Other Employee Costs | 14,859 | 240 | 8,867 | 23,966 | 186,573 | 3,005 | 111,206 | 300,784 | 31,851 | 513 | 18,959 | 51,323 |
| Payroll Taxes | 9,437 | 152 | 5,632 | 15,221 | 168,977 | 2,725 | 109,841 | 272,543 | 32,779 | 529 | 19,561 | 52,869 |
| Subtotal Employee Costs | 145,805 | 2,351 | 87,013 | 235,169 | 2,394,774 | 38,620 | 1,429,004 | 3,862,398 | 429,909 | 6,934 | 236,509 | 693,352 |
| Professional fees: | | | | | | | | | | | | |
| Accounting Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Legal Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Professional Fees | 111 | - | 247 | 358 | 43,312 | 269 | 36,648 | 80,229 | 122,296 | - | 1,175 | 123,479 |
| Subtotal Professional Fees | 111 | - | 247 | 358 | 43,312 | 269 | 36,648 | 80,229 | 122,296 | - | 1,175 | 123,479 |
| Supplies | 33,318 | - | 2,615 | 35,933 | 122,403 | 866 | 66,691 | 190,050 | 240,317 | 121 | 11,645 | 252,083 |
| Telecommunications | 3,234 | 48 | 2,033 | 5,315 | 40,098 | 594 | 23,385 | 64,077 | 7,477 | 98 | 3,780 | 11,355 |
| Postage and Shipping | 2,594 | 1 | 2,314 | 4,909 | 72,871 | 428 | 60,084 | 133,383 | 25,413 | 74 | 13,355 | 38,842 |
| Occupancy | 35,223 | 223 | 8,234 | 43,680 | 474,913 | 6,518 | 241,173 | 722,604 | 169,204 | 656 | 24,258 | 194,118 |
| Equipment Rental and Maintenance | 2,599 | 42 | 1,547 | 4,188 | 31,154 | 418 | 16,035 | 47,607 | 5,194 | 80 | 3,192 | 8,466 |
| Printing and Publications | 9,106 | 3 | 9,376 | 18,485 | 162,595 | 243 | 224,405 | 387,243 | 96,910 | 36 | 43,637 | 140,583 |
| Travel | 10,208 | 146 | 4,617 | 14,971 | 98,953 | 762 | 68,824 | 168,339 | 23,510 | 143 | 9,260 | 32,913 |
| Conference and Meetings | 2,209 | 81 | 984 | 3,274 | 280,864 | 568 | 9,376 | 290,808 | 125,202 | 294 | 3,616 | 129,112 |
| Data Processing | - | - | - | - | 8 | - | - | 16 | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous: | | | | | | | | | | | | |
| Interest | - | - | - | - | - | - | - | - | - | - | - | - |
| Membership Dues | 634 | 10 | 375 | 1,019 | 3,110 | 37 | 3,922 | 7,069 | 4,574 | 24 | 716 | 5,314 |
| Insurance | - | - | - | - | 879 | - | 1,280 | 2,159 | 30 | - | 170 | 200 |
| Other | 5,726 | 7 | 5,260 | 10,993 | 27,536 | 119 | 28,178 | 55,853 | 17,291 | 4 | 758 | 18,053 |
| Subtotal Miscellaneous | 6,360 | 17 | 5,635 | 12,012 | 31,545 | 156 | 33,380 | 65,081 | 21,895 | 28 | 1,644 | 23,567 |
| Total Functional Expenses | \$ 527,193 | \$ 2,938 | \$ 124,615 | \$ 654,746 | \$ 8,866,292 | \$ 49,442 | \$ 2,209,013 | \$ 11,126,747 | \$ 2,182,814 | \$ 8,472 | \$ 372,071 | \$ 2,563,357 |

American Diabetes Association
Statement of Functional Expenses
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

| | Connecticut | | | Delaware | | | Florida | | | Total |
|----------------------------------|--------------|-------------|-------------|-------------|-------------|-------------|--------------|-------------|-------------|--------------|
| | Prog. Svcs. | Mgt. & Gen. | Fundraising | Prog. Svcs. | Mgt. & Gen. | Fundraising | Prog. Svcs. | Mgt. & Gen. | Fundraising | |
| Grants and Allocations | \$ 670,105 | \$ - | \$ - | \$ 30,000 | \$ - | \$ - | \$ 1,771,214 | \$ - | \$ - | \$ 1,771,214 |
| Employee Costs: | | | | | | | | | | |
| Salaries | 187,993 | 2,950 | 114,244 | - | - | - | 769,032 | 12,389 | 460,611 | 1,242,032 |
| Pension Plan Contribution | 5,225 | 84 | 3,118 | - | - | - | 36,881 | 595 | 22,010 | 59,486 |
| Other Employee Costs | 20,202 | 326 | 12,056 | - | - | - | 74,045 | 1,195 | 44,188 | 119,428 |
| Payroll Taxes | 17,871 | 288 | 10,665 | - | - | - | 65,159 | 1,051 | 38,886 | 105,090 |
| Subtotal Employee Costs | 231,291 | 15,230 | 140,083 | - | - | - | 945,117 | 15,230 | 565,695 | 1,526,042 |
| Professional fees: | | | | | | | | | | |
| Professional Fundraising Fees | - | - | - | - | - | - | - | - | - | - |
| Accounting Fees | - | - | - | - | - | - | - | - | - | - |
| Legal Fees | - | - | - | - | - | - | - | - | - | - |
| Other Professional Fees | 860 | - | 794 | 1,069 | 1 | 3,376 | 4,267 | - | 5,473 | 9,740 |
| Subtotal Professional Fees | 860 | - | 794 | 1,069 | 1 | 3,376 | 4,267 | - | 5,473 | 9,740 |
| Supplies | 9,960 | 110 | 5,677 | 15,083 | 78 | 4,362 | 61,229 | 346 | 22,529 | 84,104 |
| Telecommunications | 2,599 | 42 | 1,551 | 4,015 | 63 | 2,338 | 19,974 | 315 | 12,099 | 32,388 |
| Postage and Shipping | 13,396 | 59 | 10,063 | 4,012 | 19 | 2,210 | 37,884 | 142 | 32,347 | 70,373 |
| Occupancy | 39,285 | 634 | 23,444 | 23,415 | 217 | 8,013 | 173,530 | 2,628 | 97,054 | 273,212 |
| Equipment Rental and Maintenance | 6,341 | 98 | 3,885 | 4,276 | 66 | 2,429 | 25,571 | 360 | 14,918 | 40,849 |
| Printing and Publications | 18,709 | 9 | 15,716 | 7,021 | 1 | 5,470 | 74,163 | 119 | 82,107 | 156,389 |
| Travel | 12,195 | 6 | 7,571 | 7,071 | 58 | 3,721 | 42,276 | 356 | 28,065 | 70,697 |
| Conference and Meetings | 55,708 | 117 | 1,526 | 23,869 | 67 | 626 | 319,381 | 167 | 1,571 | 321,119 |
| Data Processing | - | - | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous: | | | | | | | | | | |
| Interest | - | - | - | - | - | - | - | - | - | - |
| Membership Dues | 874 | 14 | 522 | 1,535 | 24 | 936 | 2,969 | 45 | 1,661 | 4,675 |
| Insurance | - | - | - | 260 | - | 290 | 971 | 3 | 1,228 | 2,202 |
| Other | 1,456 | 11 | 85 | - | 6 | 378 | 9,131 | 30 | 3,357 | 12,518 |
| Subtotal Miscellaneous | 2,330 | 78 | 607 | 1,795 | 30 | 1,598 | 13,071 | 78 | 6,246 | 19,395 |
| Total Functional Expenses | \$ 1,062,779 | \$ 19,741 | \$ 210,917 | \$ 121,626 | \$ 600 | \$ 34,143 | \$ 3,487,677 | \$ 19,741 | \$ 868,104 | \$ 4,375,522 |

American Diabetes Association
Statement of Functional Expenses
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

| | Georgia | | | Hawaii | | | Idaho | | | | | |
|-----------------------------------|---------------------|-----------------|-------------------|---------------------|-------------------|-----------------|-------------------|-------------------|-------------------|--------------|-----------------|-------------------|
| | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total |
| Grants and Allocations | | | | | | | | | | | | |
| Employee Costs: | | | | | | | | | | | | |
| Salaries | 296,459 | 4,775 | 177,169 | 478,403 | 155,455 | 2,507 | 92,772 | 250,734 | 2,392 | 39 | 1,427 | 3,858 |
| Pension Plan Contribution | 17,761 | 286 | 10,600 | 28,647 | 6,850 | 110 | 4,088 | 11,048 | 159 | 3 | 94 | 256 |
| Other Employee Costs | 23,846 | 385 | 14,231 | 38,462 | 13,026 | 210 | 7,773 | 21,009 | 137 | 2 | 82 | 221 |
| Payroll Taxes | 26,021 | 420 | 15,529 | 41,970 | 11,274 | 190 | 7,026 | 18,990 | 289 | 5 | 172 | 466 |
| Subtotal Employee Costs | 364,087 | 5,866 | 217,529 | 587,482 | 187,105 | 3,017 | 111,659 | 301,781 | 2,977 | 49 | 1,775 | 4,801 |
| Professional Fees: | | | | | | | | | | | | |
| Accounting Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Legal Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Professional Fees | 8,712 | 30 | 6,246 | 14,988 | 7,794 | - | 1,355 | 9,149 | - | - | - | - |
| Subtotal Professional Fees | 8,712 | 30 | 6,246 | 14,988 | 7,794 | - | 1,355 | 9,149 | - | - | - | - |
| Supplies | 13,003 | 124 | 9,922 | 23,049 | 24,772 | 78 | 4,272 | 29,122 | 120 | - | 116 | 236 |
| Telecommunications | 7,215 | 107 | 4,842 | 12,164 | 5,038 | 81 | 2,999 | 8,118 | 461 | 7 | 275 | 743 |
| Postage and Shipping | 22,573 | 59 | 16,188 | 38,820 | 1,974 | 6 | 1,368 | 3,348 | 293 | - | 161 | 454 |
| Occupancy | 78,997 | 1,273 | 47,222 | 127,492 | 38,735 | 481 | 17,798 | 57,014 | 288 | 5 | 172 | 465 |
| Equipment Rental and Maintenance | 21,056 | 184 | 13,557 | 34,797 | 1,946 | 30 | 1,098 | 3,074 | - | - | - | - |
| Printing and Publications | 58,731 | 48 | 76,958 | 135,737 | 9,189 | 2 | 115 | 9,306 | 754 | 5 | 504 | 1,263 |
| Travel | 37,448 | 171 | 18,436 | 56,055 | 4,705 | 11 | 962 | 5,678 | 704 | 5 | 578 | 1,287 |
| Conference and Meetings | 135,203 | 48 | 453 | 135,704 | 10,833 | 111 | 1,233 | 12,177 | 337 | 6 | 177 | 520 |
| Data Processing | - | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous: | | | | | | | | | | | | |
| Interest | - | - | - | - | - | - | - | - | - | - | - | - |
| Membership Dues | 2,898 | 36 | 1,366 | 4,300 | 163 | 3 | 97 | 263 | - | - | - | - |
| Insurance | 644 | 2 | 1,254 | 1,900 | 200 | - | - | 200 | 2 | - | - | 3 |
| Other | 7,325 | 30 | 12,514 | 19,869 | (640) | - | 1,000 | 360 | - | - | - | - |
| Subtotal Miscellaneous | 10,867 | 68 | 15,134 | 26,069 | (277) | 3 | 1,097 | 823 | 2 | - | 1 | 3 |
| Total Functional Expenses | \$ 1,682,784 | \$ 7,978 | \$ 426,487 | \$ 2,117,249 | \$ 491,277 | \$ 3,820 | \$ 143,956 | \$ 639,053 | \$ 187,300 | \$ 77 | \$ 3,759 | \$ 191,136 |

American Diabetes Association
Statement of Functional Expenses
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

| | Illinois | | | Indiana | | | Iowa | | | | | |
|----------------------------------|--------------|-------------|-------------|--------------|--------------|-------------|-------------|--------------|-------------|-------------|-------------|--------------|
| | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total |
| Grants and Allocations | \$ 2,516,221 | \$ - | \$ - | \$ 2,516,221 | \$ 505,772 | \$ - | \$ - | \$ 505,772 | \$ 594,077 | \$ - | \$ - | \$ 594,077 |
| Employee Costs: | | | | | | | | | | | | |
| Salaries | 773,175 | 12,470 | 461,411 | 1,247,056 | 283,716 | 4,575 | 169,335 | 457,626 | 159,632 | 2,575 | 95,264 | 257,471 |
| Pension Plan Contribution | 37,149 | 599 | 22,170 | 59,918 | 10,720 | 173 | 6,398 | 17,291 | 8,357 | 135 | 4,987 | 13,479 |
| Other Employee Costs | 77,275 | 1,247 | 46,146 | 124,668 | 34,596 | 555 | 20,551 | 55,702 | 20,644 | 333 | 12,329 | 33,306 |
| Payroll Taxes | 67,961 | 1,096 | 40,557 | 109,614 | 23,563 | 380 | 14,062 | 38,005 | 18,788 | 303 | 11,212 | 30,303 |
| Subtotal Employee Costs | 955,560 | 15,412 | 570,284 | 1,541,256 | 352,595 | 5,683 | 210,346 | 568,624 | 207,421 | 3,346 | 123,792 | 334,559 |
| Professional fees: | | | | | | | | | | | | |
| Professional Fundraising Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Accounting Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Legal Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Professional Fees | 4,123 | 3 | 1,903 | 6,029 | 1,547 | - | 1,256 | 2,803 | 1,068 | 9 | 839 | 1,916 |
| Subtotal Professional Fees | 4,123 | 3 | 1,903 | 6,029 | 1,547 | - | 1,256 | 2,803 | 1,068 | 9 | 839 | 1,916 |
| Supplies | 167,229 | 248 | 12,937 | 180,414 | 105,203 | 193 | 8,328 | 113,934 | 6,195 | 73 | 4,503 | 10,771 |
| Telecommunications | 8,645 | 139 | 5,160 | 13,944 | 4,492 | 121 | 4,492 | 12,139 | 6,925 | 110 | 4,205 | 11,240 |
| Postage and Shipping | 31,231 | 89 | 21,992 | 53,312 | 17,880 | 48 | 13,875 | 31,803 | 8,293 | 24 | 8,187 | 16,504 |
| Occupancy | 248,551 | 1,865 | 68,991 | 319,407 | 113,687 | 1,403 | 23,074 | 138,164 | 20,977 | 338 | 12,518 | 33,833 |
| Equipment Rental and Maintenance | 13,907 | 203 | 7,446 | 21,556 | 7,503 | 121 | 4,463 | 12,087 | 5,213 | 84 | 3,111 | 8,408 |
| Printing and Publications | 47,596 | 32 | 46,651 | 94,279 | 29,598 | 91 | 28,626 | 38,315 | 11,706 | 34 | 14,684 | 26,424 |
| Travel | 28,693 | 229 | 18,135 | 47,057 | 10,632 | 76 | 8,049 | 18,757 | 13,120 | 69 | 11,954 | 25,143 |
| Conference and Meetings | 107,638 | 254 | 2,370 | 110,262 | 2,934 | 100 | 938 | 3,972 | 5,941 | 32 | 302 | 6,275 |
| Data Processing | - | - | - | - | 300 | - | - | 300 | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous: | | | | | | | | | | | | |
| Interest | - | - | - | - | - | - | - | - | - | - | - | - |
| Membership Dues | 4,790 | 31 | 2,678 | 7,499 | 8 | - | 5 | 13 | - | - | - | - |
| Insurance | 672 | 1 | 668 | 1,341 | 553 | 7 | 389 | 949 | 559 | 9 | 338 | 906 |
| Other | 4,818 | 19 | 2,658 | 7,495 | 136 | - | 222 | 358 | 30 | - | 120 | 150 |
| Subtotal Miscellaneous | 10,280 | 51 | 6,004 | 16,335 | 2,174 | 21 | 2,174 | 4,369 | 3,545 | 11 | 7,542 | 11,098 |
| Total Functional Expenses | \$ 4,139,674 | \$ 18,525 | \$ 761,873 | \$ 4,920,072 | \$ 1,158,048 | \$ 7,864 | \$ 306,437 | \$ 1,472,349 | \$ 885,070 | \$ 4,139 | \$ 192,095 | \$ 1,081,304 |

American Diabetes Association
Statement of Functional Expenses
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

| | Maine | | | Maryland | | | Massachusetts | | | | | |
|----------------------------------|-------------|-------------|-------------|------------|--------------|-------------|---------------|--------------|--------------|-------------|-------------|--------------|
| | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total |
| Grants and Allocations | \$ 170,347 | \$ - | \$ - | \$ 170,347 | \$ 697,572 | \$ - | \$ - | \$ 697,572 | \$ 842,261 | \$ - | \$ - | \$ 842,261 |
| Employee Costs: | | | | | | | | | | | | |
| Salaries | 87,467 | 1,411 | 52,198 | 141,076 | 445,508 | 7,185 | 265,868 | 718,561 | 515,408 | 8,312 | 307,616 | 831,336 |
| Pension Plan Contribution | 3,747 | 60 | 2,237 | 6,044 | 19,067 | 308 | 11,379 | 21,734 | 21,734 | 351 | 12,970 | 35,055 |
| Other Employee Costs | 7,744 | 125 | 4,621 | 12,490 | 42,090 | 679 | 25,118 | 67,887 | 54,480 | 879 | 32,512 | 87,871 |
| Payroll Taxes | 9,082 | 1,46 | 5,420 | 14,648 | 42,414 | 684 | 25,312 | 68,410 | 53,301 | 860 | 31,808 | 85,969 |
| Subtotal Employee Costs | 108,040 | 1,742 | 64,476 | 174,258 | 549,079 | 8,856 | 327,677 | 885,612 | 644,923 | 10,402 | 384,906 | 1,040,231 |
| Professional Fundraising Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Accounting Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Legal Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Professional Fees | 804 | 1 | 782 | 1,587 | 1,910 | 4 | 4,496 | 6,410 | 1,320 | 5 | 1,191 | 2,516 |
| Subtotal Professional Fees | 804 | 1 | 782 | 1,587 | 1,910 | 4 | 4,496 | 6,410 | 1,320 | 5 | 1,191 | 2,516 |
| Supplies | 4,888 | 43 | 3,796 | 8,227 | 7,897 | 72 | 6,257 | 14,226 | 30,101 | 255 | 15,375 | 45,731 |
| Postage and Shipping | 3,335 | 55 | 1,799 | 5,189 | 2,509 | 40 | 1,489 | 4,038 | 9,151 | 155 | 4,389 | 13,695 |
| Telecommunications | 4,083 | 18 | 3,213 | 7,414 | 10,806 | 23 | 8,109 | 18,938 | 18,302 | 69 | 14,004 | 32,375 |
| Occupancy | 9,984 | 161 | 5,940 | 16,085 | 61,726 | 984 | 36,829 | 99,539 | 79,358 | 1,263 | 47,627 | 128,248 |
| Equipment Rental and Maintenance | 2,929 | 47 | 1,748 | 4,724 | 4,724 | 76 | 2,828 | 7,628 | 6,363 | 91 | 4,098 | 10,552 |
| Printing and Publications | 9,896 | 20 | 5,945 | 15,861 | 28,291 | 131 | 29,175 | 57,597 | 51,472 | 115 | 31,444 | 83,031 |
| Travel | 9,205 | 49 | 5,783 | 15,037 | 9,130 | 72 | 5,015 | 14,217 | 36,710 | 324 | 13,968 | 51,002 |
| Conference and Meetings | 382 | 7 | 215 | 604 | 930 | 33 | 325 | 1,288 | 198,503 | 51 | 1,392 | 199,946 |
| Data Processing | - | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous: | | | | | | | | | | | | |
| Interest | - | - | - | - | - | - | - | - | - | - | - | - |
| Membership Dues | 367 | - | 215 | 582 | 1,684 | 25 | 971 | 2,680 | 1,682 | 5 | 697 | 2,384 |
| Insurance | 123 | - | 228 | 351 | 64 | - | 124 | 188 | 100 | - | 100 | 200 |
| Other | 869 | 5 | 150 | 1,024 | 829 | 6 | 168 | 1,003 | 6,127 | 30 | 1,598 | 7,755 |
| Subtotal Miscellaneous | 1,359 | 5 | 593 | 1,957 | 2,577 | 31 | 1,263 | 3,871 | 7,909 | 35 | 2,395 | 10,339 |
| Total Functional Expenses | \$ 325,252 | \$ 2,148 | \$ 93,890 | \$ 421,290 | \$ 1,377,151 | \$ 10,322 | \$ 423,463 | \$ 1,810,936 | \$ 1,926,373 | \$ 12,765 | \$ 520,789 | \$ 2,459,927 |

American Diabetes Association
Statement of Functional Expenses
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

| | Michigan | | | | Minnesota | | | | Mississippi | | | |
|----------------------------------|--------------|-------------|-------------|--------------|--------------|-------------|-------------|--------------|-------------|-------------|-------------|-----------|
| | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total |
| Grants and Allocations | \$ 1,181,536 | \$ - | \$ - | \$ 1,181,536 | \$ 1,056,510 | \$ - | \$ - | \$ 1,056,510 | \$ 10,787 | \$ - | \$ - | \$ 10,787 |
| Employee Costs: | | | | | | | | | | | | |
| Salaries | 563,455 | 8,984 | 332,755 | 905,194 | 343,771 | 5,545 | 205,154 | 554,470 | 7,362 | 119 | 4,393 | 11,874 |
| Pension Plan Contribution | 21,000 | 339 | 12,532 | 33,871 | 23,028 | 371 | 13,743 | 37,142 | 206 | 3 | 123 | 332 |
| Other Employee Costs | 58,607 | 945 | 34,975 | 94,527 | 31,679 | 511 | 18,906 | 51,096 | 655 | 11 | 390 | 1,056 |
| Payroll Taxes | 51,867 | 837 | 30,952 | 83,656 | 36,334 | 586 | 21,683 | 58,603 | 639 | 10 | 382 | 1,031 |
| Subtotal Employee Costs | 694,939 | 11,105 | 411,214 | 1,117,248 | 434,812 | 7,013 | 259,486 | 701,311 | 8,862 | 143 | 5,288 | 14,293 |
| Professional fees: | | | | | | | | | | | | |
| Professional Fundraising Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Accounting Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Legal Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Professional Fees | 16,295 | 34 | 15,514 | 31,843 | 1,836 | - | 1,836 | 3,672 | - | - | - | - |
| Subtotal Professional Fees | 203,926 | 155 | 10,167 | 214,248 | 11,390 | 145 | 8,144 | 19,679 | 159 | 3 | 95 | 257 |
| Supplies | 6,021 | 96 | 3,653 | 9,770 | 6,131 | 97 | 3,605 | 9,833 | 29 | - | 18 | 47 |
| Postage and Shipping | 36,259 | 140 | 24,706 | 61,105 | 17,155 | 66 | 15,296 | 32,517 | 440 | 2 | 116 | 558 |
| Occupancy | 299,922 | 817 | 37,465 | 338,204 | 43,365 | 696 | 25,756 | 69,817 | 22 | - | 13 | 35 |
| Equipment Rental and Maintenance | 14,006 | 220 | 8,155 | 22,381 | 8,427 | 118 | 4,503 | 13,048 | 18 | - | 11 | 29 |
| Printing and Publications | 47,396 | 85 | 29,799 | 77,280 | 24,907 | 18 | 16,951 | 41,876 | 1,182 | 3 | 237 | 1,422 |
| Travel | 26,158 | 165 | 16,848 | 43,171 | 7,299 | 58 | 5,603 | 12,960 | 149 | 3 | 87 | 239 |
| Conference and Meetings | 76,359 | 58 | 538 | 76,955 | 137,921 | 48 | 447 | 138,416 | 15 | 1 | 6 | 22 |
| Data Processing | - | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous: | | | | | | | | | | | | |
| Interest | 27 | - | 16 | 43 | - | - | - | - | - | - | - | - |
| Membership Dues | 1,703 | 27 | 1,017 | 2,747 | 227 | 4 | 231 | 462 | 19 | - | 11 | 30 |
| Insurance | 584 | 8 | 660 | 1,252 | 45 | - | 255 | 300 | - | - | - | - |
| Other | 7,594 | 104 | 9,699 | 17,397 | 883 | 312 | 2,409 | 3,604 | 4 | - | 2 | 6 |
| Subtotal Miscellaneous | 9,908 | 139 | 11,392 | 21,439 | 1,155 | 316 | 2,895 | 4,366 | 23 | - | 13 | 36 |
| Total Functional Expenses | \$ 2,612,715 | \$ 13,014 | \$ 569,451 | \$ 3,195,180 | \$ 1,750,908 | \$ 8,575 | \$ 344,522 | \$ 2,104,005 | \$ 21,686 | \$ 155 | \$ 5,884 | \$ 27,725 |

American Diabetes Association
Statement of Functional Expenses
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

| | Missouri | | | Montana | | | Nebraska | | | Total | | |
|----------------------------------|--------------|-------------|-------------|--------------|-------------|-------------|-------------|------------|-------------|----------|-------------|-------------|
| | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | | Mgt. & Gen. | Fundraising |
| Grants and Allocations | \$ 1,735,086 | \$ - | \$ - | \$ 1,735,086 | \$ 34,787 | \$ - | \$ - | \$ 34,787 | \$ 101,077 | \$ - | \$ - | \$ 101,077 |
| Employee Costs: | | | | | | | | | | | | |
| Salaries | 517,417 | 8,346 | 308,781 | 834,544 | 20,840 | 336 | 12,436 | 33,612 | 71,264 | 1,149 | 42,529 | 114,942 |
| Pension Plan Contribution | 21,800 | 352 | 13,009 | 35,161 | 1,211 | 722 | 1,953 | 2,797 | 2,797 | 45 | 1,669 | 4,511 |
| Other Employee Costs | 60,006 | 965 | 35,721 | 96,692 | 431 | 7 | 257 | 695 | 10,824 | 171 | 6,341 | 17,136 |
| Payroll Taxes | 43,233 | 697 | 25,800 | 69,730 | 2,169 | 35 | 1,294 | 3,498 | 5,625 | 91 | 3,357 | 9,073 |
| Voluntary Employee Costs | 642,456 | 10,360 | 383,311 | 1,036,127 | 24,651 | 398 | 14,709 | 39,758 | 90,310 | 1,456 | 53,896 | 145,662 |
| Professional fees: | | | | | | | | | | | | |
| Professional Fundraising Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Accounting Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Legal Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Professional Fees | 1,377 | - | 219 | 1,596 | 208 | 2 | 89 | 299 | 1,331 | 21 | 794 | 2,146 |
| Subtotal Professional Fees | 1,377 | - | 219 | 1,596 | 208 | 2 | 89 | 299 | 1,331 | 21 | 794 | 2,146 |
| Supplies | 137,830 | - | 119 | 137,949 | 208 | 2 | 89 | 299 | 1,331 | 21 | 794 | 2,146 |
| Telecommunications | 12,691 | 394 | 17,968 | 30,053 | 33,059 | 13 | 465 | 53,537 | 2,006 | 29 | 1,281 | 3,316 |
| Postage and Shipping | 32,055 | 205 | 7,573 | 39,833 | 3,034 | 49 | 1,811 | 4,894 | 1,436 | 23 | 918 | 2,377 |
| Occupancy | 165,519 | 1,68 | 26,819 | 192,306 | 5,373 | 65 | 2,487 | 7,925 | 2,412 | 17 | 1,710 | 4,139 |
| Equipment Rental and Maintenance | 16,302 | 1,209 | 44,876 | 62,387 | 25,005 | 103 | 3,823 | 28,931 | 16,260 | 264 | 9,763 | 26,387 |
| Printing and Publications | 36,080 | 182 | 7,306 | 43,568 | 1,249 | 20 | 745 | 2,014 | 2,256 | 39 | 1,583 | 4,178 |
| Travel | 32,584 | 140 | 34,063 | 66,787 | 5,067 | 19 | 892 | 5,978 | 7,514 | 35 | 7,818 | 15,367 |
| Conference and Meetings | 14,240 | 351 | 23,098 | 37,689 | 2,410 | 10 | 463 | 2,883 | 5,892 | 34 | 6,244 | 12,170 |
| Depreciation | - | 540 | 5,398 | 5,938 | 8,696 | 4 | 97 | 8,797 | 112 | 5 | 45 | 162 |
| Miscellaneous: | | | | | | | | | | | | |
| Interest | 21 | - | - | 21 | - | - | - | - | - | - | - | - |
| Membership Dues | 3,551 | 52 | 3,111 | 6,714 | 1,101 | 2 | 75 | 1,178 | 178 | 3 | 106 | 287 |
| Insurance | 765 | - | 1,035 | 1,800 | - | - | - | - | 111 | - | 562 | 673 |
| Other | 9,078 | 99 | 13,834 | 23,011 | 398 | 1 | 421 | 421 | 148 | 1 | 228 | 377 |
| Subtotal Miscellaneous | 13,415 | 151 | 17,992 | 31,558 | 1,499 | 3 | 97 | 1,599 | 437 | 4 | 896 | 1,337 |
| Total Functional Expenses | \$ 2,859,635 | \$ 13,700 | \$ 569,523 | \$ 3,442,858 | \$ 165,038 | \$ 686 | \$ 25,678 | \$ 191,402 | \$ 231,443 | \$ 1,927 | \$ 84,948 | \$ 318,318 |

American Diabetes Association
Statement of Functional Expenses
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

| | Nevada | | | New Hampshire | | | New Jersey | | |
|----------------------------------|-------------|-------------|------------|---------------|-------------|------------|--------------|-------------|--------------|
| | Prog. Svcs. | Mgt. & Gen. | Total | Prog. Svcs. | Mgt. & Gen. | Total | Prog. Svcs. | Mgt. & Gen. | Total |
| Grants and Allocations | \$ 121,489 | \$ - | \$ 121,489 | \$ - | \$ - | \$ - | \$ 1,544,033 | \$ - | \$ 1,544,033 |
| Employee Costs: | | | | | | | | | |
| Salaries | 54,135 | 874 | 87,315 | - | - | - | 431,506 | 6,942 | 257,959 |
| Pension Plan Contribution | 548 | 9 | 884 | - | - | - | 21,683 | 350 | 12,940 |
| Other Employee Costs | 7,578 | 122 | 12,223 | - | - | - | 37,605 | 600 | 24,723 |
| Payroll Taxes | 5,554 | 90 | 8,958 | - | - | - | 40,739 | 657 | 65,707 |
| Subtotal Employee Costs | 67,815 | 1,095 | 109,380 | - | - | - | 531,553 | 8,549 | 319,933 |
| Professional fees: | | | | | | | | | |
| Professional Fundraising Fees | - | - | - | - | - | - | - | - | - |
| Accounting Fees | - | - | - | - | - | - | - | - | - |
| Legal Fees | - | - | - | - | - | - | - | - | - |
| Other Professional Fees | 678 | - | 3,385 | 438 | - | 876 | 13,872 | 205 | 8,655 |
| Subtotal Professional Fees | 678 | - | 3,388 | 438 | - | 876 | 13,872 | 205 | 8,655 |
| Supplies | 7,119 | 65 | 12,719 | 113,751 | 20 | 115,686 | 15,991 | 270 | 10,442 |
| Telecommunications | 1,687 | 27 | 2,721 | 3,202 | 48 | 5,044 | 3,495 | 47 | 1,933 |
| Postage and Shipping | 6,271 | 27 | 11,859 | 6,202 | 11 | 9,978 | 15,957 | 72 | 11,962 |
| Occupancy | 21,587 | 348 | 34,819 | 96,382 | 282 | 107,921 | 98,389 | 1,587 | 58,716 |
| Equipment Rental and Maintenance | 3,343 | 54 | 5,392 | 3,523 | 57 | 5,682 | 5,946 | 104 | 3,630 |
| Printing and Publications | 13,330 | 111 | 23,881 | 6,871 | 1 | 11,643 | 22,628 | 133 | 21,232 |
| Travel | 4,957 | 23 | 9,359 | 2,160 | 1 | 4,025 | 19,251 | 422 | 11,581 |
| Conference and Meetings | 945 | 33 | 1,408 | 416 | 18 | 603 | 4,835 | 192 | 1,829 |
| Data Processing | - | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - |
| Miscellaneous: | | | | | | | | | |
| Interest | - | - | - | - | - | - | - | - | - |
| Membership Dues | 3 | - | 5 | 195 | 3 | 315 | 1,484 | 13 | 1,157 |
| Insurance | 75 | - | 150 | 100 | - | 200 | 170 | - | 200 |
| Other | 494 | 4 | 880 | 823 | - | 823 | 11,737 | 27 | 11,934 |
| Subtotal Miscellaneous | 572 | 4 | 1,035 | 1,118 | 3 | 1,338 | 13,251 | 40 | 13,261 |
| Total Functional Expenses | \$ 249,793 | \$ 1,785 | \$ 337,450 | \$ 234,003 | \$ 441 | \$ 262,460 | \$ 2,289,219 | \$ 11,621 | \$ 2,764,072 |

American Diabetes Association
Statement of Functional Expenses
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

| | New Mexico | | | | New York | | | | North Carolina | | | |
|----------------------------------|-------------|-------------|-------------|------------|--------------|-------------|--------------|--------------|----------------|-------------|-------------|--------------|
| | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total |
| Grants and Allocations | \$ 383,264 | \$ - | \$ - | \$ 383,264 | \$ 2,774,279 | \$ - | \$ - | \$ 2,779,279 | \$ 821,806 | \$ - | \$ - | \$ 821,806 |
| Employee Costs: | | | | | | | | | | | | |
| Salaries | 76,474 | 1,234 | 45,638 | 123,346 | 1,176,607 | 18,944 | 703,003 | 1,898,554 | 372,000 | 6,000 | 222,000 | 600,000 |
| Pension Plan Contribution | 2,183 | 35 | 1,302 | 3,520 | 58,649 | 946 | 35,000 | 94,595 | 13,365 | 216 | 7,976 | 21,557 |
| Other Employee Costs | 9,473 | 153 | 5,654 | 15,280 | 124,587 | 2,064 | 74,150 | 200,741 | 34,124 | 550 | 20,365 | 55,039 |
| Payroll Taxes | 5,745 | 93 | 3,428 | 9,266 | 104,630 | 1,688 | 62,440 | 168,758 | 35,917 | 579 | 21,434 | 57,930 |
| Subtotal Employee Costs | 93,875 | 1,515 | 56,022 | 151,412 | 1,464,473 | 23,582 | 874,593 | 2,362,648 | 453,406 | 7,345 | 271,775 | 734,526 |
| Professional fees: | | | | | | | | | | | | |
| Accounting Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Legal Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Professional Fees | 1,577 | - | - | 1,579 | 28,213 | 1 | 9,117 | 37,331 | 1,212 | - | 3,298 | 4,510 |
| Subtotal Professional Fees | 1,577 | - | - | 1,579 | 28,213 | 1 | 9,117 | 37,331 | 1,212 | - | 3,298 | 4,510 |
| Supplies | 55,680 | 25 | 1,625 | 57,330 | 128,144 | 706 | 39,583 | 169,433 | 144,475 | 100 | 5,573 | 150,148 |
| Telecommunications | 1,890 | 28 | 1,134 | 3,052 | 32,850 | 519 | 19,775 | 53,144 | 5,213 | 76 | 3,195 | 8,484 |
| Postage and Shipping | 3,594 | 6 | 2,374 | 5,974 | 63,762 | 348 | 60,306 | 124,416 | 11,290 | 25 | 9,649 | 20,964 |
| Occupancy | 50,277 | 251 | 9,283 | 59,811 | 385,352 | 5,489 | 203,078 | 593,919 | 130,535 | 826 | 30,571 | 161,932 |
| Equipment Rental and Maintenance | 5,016 | 47 | 1,740 | 6,803 | 43,830 | 684 | 26,310 | 70,824 | 10,140 | 127 | 11,351 | 21,618 |
| Printing and Publications | 7,510 | 8 | 2,722 | 10,240 | 136,868 | 133 | 137,830 | 274,831 | 24,075 | 14 | 43,861 | 67,950 |
| Travel | 10,336 | 119 | 4,075 | 14,530 | 61,944 | 485 | 32,392 | 94,821 | 18,123 | 129 | 14,610 | 32,862 |
| Conferences and Meetings | 2,252 | 83 | 993 | 3,328 | 191,882 | 440 | 5,199 | 197,521 | 968 | 42 | 394 | 1,404 |
| Data Processing | - | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous: | | | | | | | | | | | | |
| Interest | - | - | - | - | - | - | - | - | - | - | - | - |
| Membership Dues | 755 | 12 | 447 | 1,214 | 5,964 | 80 | 4,067 | 10,111 | 901 | 7 | 286 | 1,194 |
| Insurance | - | - | - | - | 929 | 4 | 1,479 | 2,412 | 150 | - | 130 | 300 |
| Other | 98 | 1 | 38 | 137 | 13,461 | 146 | 6,697 | 20,304 | 2,720 | 9 | 1,343 | 4,072 |
| Subtotal Miscellaneous | 853 | 13 | 485 | 1,351 | 20,354 | 230 | 12,243 | 32,827 | 3,771 | 16 | 1,779 | 5,566 |
| Total Functional Expenses | \$ 616,124 | \$ 2,095 | \$ 80,455 | \$ 698,674 | \$ 5,337,951 | \$ 32,617 | \$ 1,420,426 | \$ 6,790,994 | \$ 1,627,014 | \$ 8,700 | \$ 396,056 | \$ 2,031,770 |

American Diabetes Association
Statement of Functional Expenses
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

| | Oregon | | | Pennsylvania | | | Rhode Island | | | | | |
|----------------------------------|--------------|--------------|-------------|--------------|--------------|--------------|--------------|--------------|-------------|--------------|-------------|------------|
| | Prog. Svcs. | Mgmt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgmt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgmt. & Gen. | Fundraising | Total |
| Grants and Allocations | \$ 731,180 | \$ - | \$ - | \$ 731,180 | \$ 1,689,454 | \$ - | \$ - | \$ 1,689,454 | \$ 62,396 | \$ - | \$ - | \$ 62,396 |
| Employee Costs: | | | | | | | | | | | | |
| Salaries | 241,164 | 3,890 | 143,920 | 388,974 | 839,790 | 13,543 | 501,080 | 1,354,413 | 40,262 | 649 | 24,027 | 64,938 |
| Pension Plan Contribution | 16,665 | 289 | 9,945 | 26,899 | | 461 | 17,055 | 46,095 | 1,725 | 28 | 1,030 | 2,783 |
| Other Employee Costs | 31,711 | 512 | 18,928 | 51,151 | 72,909 | 1,176 | 43,511 | 117,596 | 3,564 | 57 | 2,127 | 5,748 |
| Payroll Taxes | 21,282 | 343 | 12,701 | 34,326 | 81,445 | 1,314 | 48,604 | 131,363 | 4,180 | 67 | 2,495 | 6,742 |
| Subtotal Employee Costs | 310,822 | 5,014 | 185,494 | 501,330 | 1,022,723 | 16,494 | 610,230 | 1,649,467 | 49,731 | 301 | 29,679 | 80,211 |
| Professional Fees: | | | | | | | | | | | | |
| Accounting Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Legal Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Professional Fees | 20,032 | 1 | 5,031 | 25,064 | 18,075 | 51 | 30,319 | 48,445 | 329 | - | 320 | 649 |
| Subtotal Professional Fees | 20,032 | 1 | 5,031 | 25,064 | 18,075 | 51 | 30,319 | 48,445 | 329 | - | 320 | 649 |
| Supplies | 19,367 | 129 | 8,495 | 27,991 | 118,911 | 486 | 17,309 | 132,706 | 2,822 | 36 | 1,452 | 4,310 |
| Postage and Shipping | 3,912 | 63 | 2,347 | 6,342 | 11,226 | 189 | 6,265 | 17,660 | 2,083 | 34 | 1,155 | 3,272 |
| Telecommunications | 18,359 | 44 | 12,080 | 30,483 | 40,178 | 243 | 33,787 | 74,208 | 3,836 | 14 | 2,230 | 6,080 |
| Occupancy | 53,248 | 851 | 31,479 | 85,578 | 315,236 | 2,786 | 105,669 | 423,691 | 21,016 | 339 | 12,534 | 33,889 |
| Equipment Rental and Maintenance | 7,648 | 122 | 4,640 | 12,410 | 24,841 | 296 | 18,081 | 43,218 | 3,963 | 62 | 2,841 | 6,866 |
| Printing and Publications | 43,380 | 20 | 20,105 | 63,505 | 73,475 | 230 | 87,418 | 161,123 | 5,928 | 18 | 3,651 | 9,597 |
| Travel | 11,303 | 61 | 7,146 | 18,510 | 38,704 | 335 | 25,293 | 64,332 | 3,280 | 29 | 1,514 | 4,823 |
| Conference and Meetings | 124,736 | 122 | 1,742 | 126,600 | 199,702 | 147 | 1,845 | 201,694 | 176 | 3 | 99 | 278 |
| Data Processing | - | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous: | | | | | | | | | | | | |
| Interest | 1,392 | 22 | 835 | 2,249 | 2,589 | 30 | 1,100 | 3,719 | 92 | - | 14 | 106 |
| Insurance | 105 | - | 195 | 300 | 961 | 1 | 4,530 | 5,512 | 30 | - | 120 | 150 |
| Other | - | 6 | 209 | 215 | 14,698 | 98 | 2,103 | 16,899 | 366 | 2 | 29 | 397 |
| Subtotal Miscellaneous | 1,497 | 28 | 1,239 | 2,764 | 18,248 | 129 | 7,753 | 26,130 | 488 | 2 | 163 | 653 |
| Total Functional Expenses | \$ 1,345,504 | \$ 6,455 | \$ 279,798 | \$ 1,631,757 | \$ 3,566,773 | \$ 21,366 | \$ 943,989 | \$ 4,532,128 | \$ 156,048 | \$ 1,338 | \$ 55,638 | \$ 213,024 |

American Diabetes Association
Statement of Functional Expenses
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

| | South Carolina | | | South Dakota | | | Tennessee | | | | | |
|----------------------------------|----------------|-------------|-------------|--------------|-------------|-------------|-------------|------------|--------------|-------------|-------------|--------------|
| | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total |
| Grants and Allocations | \$ 326,895 | \$ - | \$ - | \$ 326,895 | \$ 44,607 | \$ - | \$ - | \$ 44,607 | \$ 461,236 | \$ - | \$ - | \$ 461,236 |
| Employee Costs: | | | | | | | | | | | | |
| Salaries | 24,576 | 396 | 14,667 | 39,639 | 27,056 | 436 | 16,146 | 43,638 | 477,112 | 7,695 | 284,729 | 769,536 |
| Pension Plan Contribution | 577 | 9 | 344 | 930 | 1,062 | 17 | 634 | 1,713 | 25,670 | 414 | 15,319 | 41,403 |
| Other Employee Costs | 1,105 | 14 | 515 | 1,634 | 4,035 | 65 | 2,407 | 6,507 | 53,803 | 868 | 32,109 | 86,780 |
| Payroll Taxes | 4,643 | 75 | 2,771 | 7,489 | 2,135 | 34 | 1,274 | 3,443 | 40,489 | 653 | 24,163 | 65,305 |
| Subtotal Employee Costs | 30,901 | 494 | 18,297 | 49,692 | 34,288 | 552 | 20,461 | 55,301 | 597,074 | 9,630 | 356,320 | 963,024 |
| Professional Fees: | | | | | | | | | | | | |
| Accounting Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Legal Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Professional Fees | - | - | - | - | 770 | 8 | 567 | 1,345 | 1,934 | - | 4,788 | 6,722 |
| Subtotal Professional Fees | - | - | - | - | 770 | 8 | 567 | 1,345 | 1,934 | - | 4,788 | 6,722 |
| Supplies | 21,870 | 17 | 1,306 | 23,193 | 790 | 11 | 595 | 1,396 | 30,625 | 137 | 9,652 | 40,414 |
| Telecommunications | 4,544 | 72 | 2,700 | 7,316 | 648 | 10 | 408 | 1,066 | 6,189 | 93 | 4,221 | 10,503 |
| Postage and Shipping | 5,240 | 8 | 4,669 | 9,917 | 927 | 7 | 788 | 1,722 | 21,689 | 60 | 19,092 | 40,841 |
| Occupancy | 17,500 | 250 | 9,382 | 27,132 | 819 | 13 | -88 | 1,320 | 49,567 | 789 | 29,387 | 79,743 |
| Equipment Rental and Maintenance | 6,211 | 81 | 3,800 | 10,092 | 16 | - | 10 | 26 | 10,276 | 153 | 7,613 | 18,042 |
| Printing and Publications | 8,368 | 21 | 6,914 | 15,303 | 2,028 | 13 | 1,882 | 3,923 | 31,126 | 40 | 36,855 | 68,021 |
| Travel | 8,986 | 49 | 5,820 | 14,855 | 1,723 | 11 | 2,144 | 3,878 | 17,547 | 76 | 13,969 | 31,592 |
| Conference and Meetings | 298 | 13 | 122 | 433 | 41 | 2 | 17 | 60 | 1,535 | 35 | 332 | 1,902 |
| Data Processing | - | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous: | | | | | | | | | | | | |
| Interest | - | - | - | - | - | - | - | - | - | - | - | - |
| Membership Dues | 515 | 8 | 308 | 831 | 56 | 1 | 33 | 90 | 891 | 14 | 532 | 1,437 |
| Insurance | 60 | - | 240 | 300 | 780 | - | 4,270 | 5,050 | 308 | - | 843 | 1,151 |
| Other | 669 | 2 | 1,312 | 1,983 | (69) | - | (61) | (130) | 4,172 | 11 | 3,968 | 8,151 |
| Subtotal Miscellaneous | 1,244 | 10 | 1,860 | 3,114 | 767 | 1 | 4,242 | 5,010 | 5,371 | 25 | 5,343 | 10,739 |
| Total Functional Expenses | \$ 432,057 | \$ 1,015 | \$ 54,870 | \$ 487,942 | \$ 87,474 | \$ 628 | \$ 31,602 | \$ 119,704 | \$ 1,234,169 | \$ 11,038 | \$ 487,572 | \$ 1,732,779 |

American Diabetes Association
Statement of Functional Expenses
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

| | Texas | | | Utah | | | Vermont | | | | | |
|----------------------------------|--------------|-------------|--------------|--------------|-------------|-------------|-------------|------------|-------------|-------------|-------------|------------|
| | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total |
| Grants and Allocations | \$ 2,435,050 | \$ - | \$ - | \$ 2,435,050 | \$ 269,591 | \$ - | \$ - | \$ 269,591 | \$ 100,252 | \$ - | \$ - | \$ 100,252 |
| Employee Costs: | | | | | | | | | | | | |
| Salaries | 1,447,462 | 23,346 | 863,808 | 2,334,616 | 125,051 | 2,017 | 74,627 | 201,695 | 35,523 | 573 | 21,199 | 57,295 |
| Pension Plan Contribution | 71,388 | 1,151 | 42,603 | 115,142 | 5,029 | 81 | 3,001 | 8,111 | 1,844 | 30 | 1,101 | 2,975 |
| Other Employee Costs | 154,829 | 2,360 | 87,333 | 244,522 | 19,005 | 307 | 11,342 | 30,654 | 3,719 | 60 | 2,220 | 5,999 |
| Payroll Taxes | 116,589 | 1,880 | 69,577 | 188,046 | 10,297 | 166 | 6,145 | 16,608 | 3,434 | 55 | 2,050 | 5,539 |
| Subtotal Employee Costs | 1,790,268 | 28,737 | 1,063,321 | 2,882,326 | 159,382 | 2,571 | 95,115 | 257,068 | 44,520 | 718 | 26,570 | 71,808 |
| Professional Fundraising Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Accounting Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Legal Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Professional Fees | 36,027 | 17 | 5,245 | 41,289 | 3,140 | 36 | 2,246 | 5,422 | - | - | - | - |
| Subtotal Professional Fees | 36,027 | 17 | 5,245 | 41,289 | 3,140 | 36 | 2,246 | 5,422 | - | - | - | - |
| Supplies | 209,197 | 900 | 55,835 | 355,941 | 20,762 | 58 | 4,707 | 25,527 | 7,559 | 32 | 1,780 | 9,371 |
| Telecommunications | 41,801 | 714 | 24,912 | 67,027 | 1,966 | 31 | 1,182 | 3,179 | 2,160 | 35 | 1,289 | 3,484 |
| Postage and Shipping | 88,536 | 322 | 52,814 | 141,672 | 6,529 | 43 | 5,330 | 11,902 | 2,173 | 7 | 1,210 | 3,890 |
| Occupancy | 209,281 | 2,681 | 100,444 | 312,406 | 25,864 | 385 | 14,250 | 40,499 | 13,890 | 195 | 7,215 | 21,300 |
| Equipment Rental and Maintenance | 57,851 | 432 | 16,046 | 74,329 | 3,505 | 57 | 2,091 | 5,653 | 2,150 | 31 | 1,364 | 3,545 |
| Printing and Publications | 179,800 | 817 | 94,881 | 275,498 | 17,290 | 7 | 26,128 | 43,425 | 2,843 | 5 | 2,492 | 5,340 |
| Travel | 97,298 | 1,324 | 49,460 | 148,082 | 3,163 | 20 | 1,831 | 5,014 | 2,156 | 11 | 1,564 | 3,731 |
| Conference and Meetings | 159,373 | 672 | 8,501 | 168,546 | 44,271 | 26 | 486 | 44,783 | 212 | 4 | 119 | 335 |
| Data Processing | 477 | 8 | 279 | 764 | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous: | | | | | | | | | | | | |
| Interest | 33 | 1 | 20 | 54 | - | - | - | - | - | - | - | - |
| Membership Dues | 10,322 | 135 | 6,070 | 16,527 | 266 | 4 | 159 | 429 | 311 | 4 | 206 | 521 |
| Insurance | 483 | - | 468 | 951 | - | - | - | - | - | - | - | - |
| Other | 23,749 | 102 | 33,164 | 57,015 | 20,954 | 43 | 14,535 | 35,532 | 624 | 1 | 272 | 897 |
| Subtotal Miscellaneous | 34,587 | 238 | 39,722 | 74,547 | 21,220 | 47 | 14,694 | 35,961 | 935 | 5 | 478 | 1,418 |
| Total Functional Expenses | \$ 5,429,146 | \$ 36,871 | \$ 1,511,460 | \$ 6,977,477 | \$ 576,683 | \$ 3,281 | \$ 168,060 | \$ 748,024 | \$ 178,850 | \$ 1,043 | \$ 44,581 | \$ 224,474 |

American Diabetes Association
Statement of Functional Expenses
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

| | Virginia | | | Washington | | | Washington D.C. | | | | | |
|----------------------------------|--------------|-------------|-------------|--------------|--------------|-------------|-----------------|--------------|-------------|-------------|-------------|--------------|
| | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total |
| Grants and Allocations | \$ 1,117,595 | \$ - | \$ - | \$ 1,117,595 | \$ 650,235 | \$ - | \$ - | \$ 650,235 | \$ 425,132 | \$ - | \$ - | \$ 425,132 |
| Employee Costs: | | | | | | | | | | | | |
| Salaries | 452,688 | 7,301 | 270,152 | 730,141 | 404,472 | 6,523 | 241,379 | 652,374 | 190,405 | 3,071 | 113,629 | 307,105 |
| Pension Plan Contribution | 18,148 | 293 | 10,830 | 29,271 | 16,841 | 272 | 10,050 | 27,142 | 7,342 | 118 | 4,382 | 11,842 |
| Other Employee Costs | 49,915 | 805 | 29,788 | 80,508 | 44,872 | 724 | 26,779 | 72,375 | 18,489 | 298 | 11,034 | 29,821 |
| Payroll Taxes | 37,412 | 603 | 22,327 | 60,342 | 39,140 | 631 | 23,358 | 63,129 | 15,571 | 251 | 9,292 | 25,114 |
| Subtotal Employee Costs | 558,163 | 9,002 | 313,097 | 900,262 | 505,123 | 8,150 | 301,566 | 815,041 | 231,807 | 3,738 | 138,337 | 373,882 |
| Professional Fees: | | | | | | | | | | | | |
| Accounting Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Legal Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Professional Fees | 3,171 | 6 | 4,754 | 7,931 | 4,609 | 8 | 493 | 5,110 | 817 | 3 | 2,741 | 3,561 |
| Subtotal Professional Fees | 3,171 | 6 | 4,754 | 7,931 | 4,609 | 8 | 493 | 5,110 | 817 | 3 | 2,741 | 3,561 |
| Supplies | 19,667 | 187 | 13,361 | 33,115 | 73,270 | 169 | 8,488 | 81,927 | 13,137 | 85 | 9,063 | 22,285 |
| Telecommunications | 4,298 | 67 | 2,523 | 6,888 | 10,284 | 165 | 6,112 | 16,561 | 2,837 | 44 | 1,664 | 4,545 |
| Postage and Shipping | 20,042 | 62 | 15,979 | 36,083 | 24,296 | 213 | 16,072 | 40,581 | 17,039 | 20 | 11,565 | 28,624 |
| Occupancy | 32,482 | 521 | 19,445 | 52,448 | 123,080 | 1,638 | 60,833 | 185,551 | 129,419 | 2,087 | 77,234 | 208,740 |
| Equipment Rental and Maintenance | 8,286 | 125 | 6,505 | 14,916 | 7,002 | 106 | 3,985 | 11,093 | 7,756 | 125 | 4,629 | 12,510 |
| Printing and Publications | 36,315 | 185 | 36,371 | 72,871 | 37,004 | 109 | 34,310 | 71,423 | 26,797 | 152 | 31,374 | 58,323 |
| Travel | 16,066 | 129 | 13,398 | 29,593 | 20,606 | 337 | 12,438 | 33,381 | 6,212 | 51 | 2,998 | 9,261 |
| Conference and Meetings | 3,324 | 101 | 964 | 4,389 | 116,149 | 98 | 1,575 | 117,822 | 2,328 | 65 | 616 | 3,009 |
| Data Processing | - | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous: | | | | | | | | | | | | |
| Interest | - | - | - | - | - | - | - | - | - | - | - | - |
| Membership Dues | 1,932 | 22 | 1,662 | 3,616 | 2,286 | 37 | 1,364 | 3,687 | 822 | 3 | 531 | 1,356 |
| Insurance | 240 | - | 460 | 700 | 251 | 2 | 60 | 313 | 124 | 2 | 74 | 200 |
| Other | 4,127 | 52 | 3,525 | 7,704 | 7,455 | 77 | 2,874 | 10,386 | 5,190 | 15 | 4,576 | 9,781 |
| Subtotal Miscellaneous | 6,299 | 74 | 5,647 | 12,020 | 9,972 | 116 | 4,298 | 14,386 | 6,136 | 20 | 5,181 | 11,337 |
| Total Functional Expenses | \$ 1,825,708 | \$ 10,459 | \$ 451,944 | \$ 2,288,111 | \$ 1,581,832 | \$ 11,109 | \$ 450,170 | \$ 2,043,111 | \$ 869,417 | \$ 6,390 | \$ 285,402 | \$ 1,161,209 |

American Diabetes Association
Statement of Functional Expenses
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

| | West Virginia | | | Wisconsin | | | Wyoming | | | | | |
|----------------------------------|---------------|-------------|-------------|------------|--------------|-------------|-------------|--------------|-------------|-------------|-------------|----------|
| | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total |
| Grants and Allotments | \$ 105,745 | \$ - | \$ - | \$ 105,745 | \$ 676,227 | \$ - | \$ - | \$ 676,227 | \$ 2,920 | \$ - | \$ - | \$ 2,920 |
| Employee Costs: | | | | | | | | | | | | |
| Salaries | 50,508 | 815 | 30,141 | 81,464 | 307,321 | 4,949 | 183,376 | 495,546 | 820 | 13 | 489 | 1,322 |
| Pension Plan Contribution | 1,773 | 29 | 1,056 | 2,860 | 11,085 | 188 | 6,973 | 18,346 | 32 | 1 | 19 | 52 |
| Other Employee Costs | 5,380 | 87 | 3,210 | 8,677 | 34,036 | 542 | 20,073 | 54,651 | 73 | 1 | 44 | 118 |
| Payroll Taxes | 4,559 | 74 | 2,720 | 7,353 | 27,994 | 452 | 16,706 | 45,152 | 76 | 1 | 45 | 122 |
| Subtotal Employee Costs | 62,220 | 1,005 | 37,129 | 100,354 | 380,936 | 6,131 | 227,128 | 614,195 | 1,001 | 16 | 597 | 1,614 |
| Professional Fees: | | | | | | | | | | | | |
| Professional Fundraising Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Accounting Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Legal Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Professional Fees | - | - | - | - | 2,258 | - | 2,258 | 4,516 | 1 | - | 1 | 2 |
| Subtotal Professional Fees | - | - | - | - | 2,258 | - | 2,258 | 4,516 | 1 | - | 1 | 2 |
| Supplies | 2,003 | 31 | 1,463 | 3,497 | 297,735 | 121 | 7,563 | 305,419 | 16 | - | 10 | 26 |
| Telecommunications | 2,968 | 48 | 1,771 | 4,787 | 11,437 | 180 | 6,723 | 18,340 | 14 | - | 8 | 22 |
| Postage and Shipping | 2,375 | 8 | 2,368 | 4,751 | 23,386 | 111 | 13,209 | 36,906 | 24 | - | 8 | 32 |
| Occupancy | 5,629 | 91 | 3,364 | 9,084 | 240,765 | 1,034 | 38,249 | 280,048 | 83 | 1 | 49 | 133 |
| Equipment Rental and Maintenance | 904 | 15 | 539 | 1,458 | 4,090 | 63 | 2,480 | 6,633 | 11 | - | 7 | 18 |
| Printing and Publications | 3,033 | 5 | 2,858 | 5,896 | 34,227 | 527 | 21,949 | 56,703 | 28 | - | 6 | 34 |
| Travel | 2,665 | 22 | 2,062 | 4,749 | 21,156 | 76 | 9,942 | 31,174 | 9 | - | 5 | 14 |
| Conference and Meetings | 3,867 | 10 | 95 | 3,972 | 21,375 | 32 | 298 | 21,705 | 8 | - | 4 | 12 |
| Data Processing | - | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous: | | | | | | | | | | | | |
| Interest | - | - | - | - | - | - | - | - | - | - | - | - |
| Membership Dues | 103 | 2 | 62 | 167 | 561 | 9 | 339 | 909 | - | - | - | - |
| Insurance | 40 | - | 158 | 198 | 130 | - | 420 | 550 | 2 | - | 1 | 3 |
| Other | 159 | 2 | 109 | 270 | 2,893 | 54 | 1,328 | 3,875 | - | - | - | - |
| Subtotal Miscellaneous | 302 | 4 | 329 | 635 | 3,184 | 63 | 2,087 | 5,334 | 2 | - | 1 | 3 |
| Total Functional Expenses | \$ 191,711 | \$ 1,239 | \$ 51,978 | \$ 244,928 | \$ 1,716,976 | \$ 8,338 | \$ 331,886 | \$ 2,057,200 | \$ 4,117 | \$ 17 | \$ 696 | \$ 4,830 |

American Diabetes Association
Statement of Functional Expenses
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

| | ADA Property Title Holding Corporation 990 | | | Shaping America's Health 990 | | | Eliminations and Other Adjustments | | |
|-----------------------------------|--|---------------|----------------|------------------------------|-------------|----------------|------------------------------------|------------------|--------------------|
| | Prog. Svcs. | Mgt. & Gen. | Total | Prog. Svcs. | Mgt. & Gen. | Total | Prog. Svcs. | Mgt. & Gen. | Total |
| Grants and Allocations | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (37,454,507) | \$ - | \$ (37,454,507) |
| Employee Costs: | | | | | | | | | |
| Salaries | 322,580 | 18,974 | 379,503 | 379,949 | - | 379,503 | - | - | - |
| Pension Plan Contribution | 16,269 | 957 | 19,140 | 1,914 | - | 19,140 | - | - | - |
| Other Employee Costs | 18,208 | 1,071 | 21,422 | 2,143 | - | 21,422 | - | - | - |
| Payroll Taxes | 19,542 | 1,150 | 22,991 | 2,399 | - | 22,991 | - | - | - |
| <i>Subtotal Employee Costs</i> | <i>376,599</i> | <i>22,152</i> | <i>443,056</i> | <i>44,305</i> | - | <i>443,056</i> | - | - | - |
| Professional Fees: | | | | | | | | | |
| Professional Fundraising Fees | - | - | - | - | - | - | - | - | - |
| Accounting Fees | - | - | - | - | - | - | - | - | - |
| Legal Fees | - | - | - | - | - | - | - | - | - |
| Other Professional Fees | 728,443 | 42,850 | 856,993 | 85,700 | - | 856,993 | (160,190) | (493,051) | (1,326,407) |
| <i>Subtotal Professional Fees</i> | <i>728,443</i> | <i>42,850</i> | <i>856,993</i> | <i>85,700</i> | - | <i>856,993</i> | <i>(160,190)</i> | <i>(493,051)</i> | <i>(1,326,407)</i> |
| Supplies: | 8,874 | 522 | 10,440 | 1,044 | - | 10,440 | - | - | - |
| Telecommunications | 117 | 7 | 138 | 14 | - | 138 | - | - | - |
| Postage and Shipping | 2,110 | 124 | 2,482 | 248 | - | 2,482 | - | - | - |
| Occupancy | 2,015 | 119 | 2,371 | 237 | - | 2,371 | - | - | - |
| Equipment Rental and Maintenance | 45 | 3 | 53 | 5 | - | 53 | - | - | - |
| Printing and Publications | 47,607 | 2,800 | 56,008 | 5,601 | - | 56,008 | - | - | - |
| Travel | 51,313 | 3,018 | 60,368 | 6,037 | - | 60,368 | - | - | - |
| Conference and Meetings | 1,190,992 | 3,382 | 1,201,157 | 6,763 | - | 1,201,157 | - | - | - |
| Data Processing | - | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - |
| Miscellaneous: | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - |
| Membership Dues | 11,835 | 696 | 13,923 | 1,392 | - | 13,923 | - | - | - |
| Insurance | 296 | 18 | 349 | 35 | - | 349 | - | - | - |
| Other | 2,527 | 149 | 2,976 | 300 | - | 2,976 | - | - | - |
| <i>Subtotal Miscellaneous</i> | <i>14,658</i> | <i>863</i> | <i>17,248</i> | <i>1,727</i> | - | <i>17,248</i> | - | - | - |
| Total Functional Expenses | \$ 2,422,773 | \$ 75,840 | \$ 2,650,294 | \$ 151,681 | \$ - | \$ 2,650,294 | \$ (37,614,697) | \$ (493,051) | \$ (38,780,914) |

American Diabetes Association
Statement of Functional Expenses
Form 990 Detail Listed by State
For the Year Ended December 31, 2007

| | Financial versus Tax Reporting Differences | | | | ADA CONSOLIDATED FINANCIAL STATEMENTS | | | |
|----------------------------------|--|-------------|-------------|--------------|---------------------------------------|--------------|---------------|----------------|
| | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total | Prog. Svcs. | Mgt. & Gen. | Fundraising | Total |
| Grants and Allocations | \$ - | \$ - | \$ - | \$ - | \$ 42,114,340 | \$ - | \$ - | \$ 42,114,340 |
| Employee Costs: | | | | | | | | |
| Salaries | - | - | - | - | 34,761,390 | 1,506,391 | 13,917,479 | 50,185,260 |
| Pension Plan Contribution | - | - | - | - | 1,668,929 | 72,812 | 672,559 | 2,414,300 |
| Other Employee Costs | (25,482) | (2,000) | (11,535) | (39,017) | 4,414,883 | 270,561 | 1,642,548 | 6,327,992 |
| Payroll Taxes | - | - | - | - | 2,916,523 | 126,426 | 1,178,108 | 4,221,057 |
| Subtotal Employee Costs | (25,482) | (2,000) | (11,535) | (39,017) | 43,761,725 | 1,976,190 | 17,410,694 | 63,148,609 |
| Professional Fees: | | | | | | | | |
| Professional Fundraising Fees | - | - | - | - | 4,943,153 | 371,616 | 1,925,986 | 7,240,755 |
| Accounting Fees | - | - | - | - | - | 380,682 | - | 380,682 |
| Legal Fees | - | - | - | - | 76,170 | 20,977 | 53,615 | 150,762 |
| Other Professional Fees | 1,698 | 1,698 | 8,722 | 2,443,284 | 12,661,888 | 370,745 | 3,838,064 | 16,870,697 |
| Subtotal Professional Fees | 1,698 | 1,698 | 8,722 | 2,443,284 | 17,681,211 | 1,144,020 | 5,817,665 | 24,642,896 |
| Supplies | - | - | - | - | 3,877,905 | 109,323 | 546,149 | 4,533,377 |
| Telecommunications | - | - | - | - | 2,190,311 | 94,790 | 886,855 | 3,171,956 |
| Postage and Shipping | - | - | - | - | 9,320,614 | 676,456 | 5,551,423 | 15,548,493 |
| Occupancy | - | - | - | - | 7,664,871 | 845,881 | 1,929,802 | 10,440,554 |
| Equipment Rental and Maintenance | - | - | - | - | 1,599,847 | 81,181 | 623,997 | 2,305,025 |
| Printing and Publications | - | - | - | - | 22,705,673 | 1,656,522 | 11,200,519 | 35,562,714 |
| Travel | 6,935 | 302 | 2,813 | 10,050 | 2,642,349 | 136,373 | 914,437 | 3,693,149 |
| Conference and Meetings | - | - | - | - | 9,671,084 | 201,706 | 524,437 | 10,395,227 |
| Data Processing | - | - | - | - | 1,385,532 | 114,296 | 975,237 | 2,475,065 |
| Depreciation | - | - | - | - | 2,252,846 | 863,591 | 631,306 | 3,747,743 |
| Miscellaneous: | | | | | | | | |
| Interest | - | - | - | - | 279,232 | 90,883 | 85,504 | 455,618 |
| Membership Dues | - | - | - | - | 333,663 | 28,679 | 60,790 | 423,132 |
| Insurance | - | - | - | - | 348,400 | 75,390 | 85,273 | 509,063 |
| Other | - | - | - | - | 2,354,037 | 904,473 | 1,776,187 | 5,034,697 |
| Subtotal Miscellaneous | - | - | - | - | 3,315,332 | 1,099,424 | 2,007,754 | 6,422,510 |
| Total Functional Expenses | \$ 2,414,317 | \$ - | \$ - | \$ 2,414,317 | \$ 170,183,640 | \$ 8,999,753 | \$ 49,018,265 | \$ 228,201,658 |

AMERICAN DIABETES ASSOCIATION
NOTE TO CONSOLIDATED SUPPLEMENTAL SCHEDULES

December 31, 2007

Basis of Reporting

The supplemental schedules are presented in conjunction with the consolidated financial statements of the American Diabetes Association to provide additional information related to the consolidated Association. The information is presented by state in a format consistent with the IRS Form 990 reporting.

The IRS Form 990 format differs from generally accepted accounting principles in two primary areas as it relates to the Association:

- Contributed services revenues and expenses are excluded from Form 990 reporting, and
- Unrealized gains and losses on investments are excluded from revenue and are instead reported as other changes in net assets.

These differences are reconciled in the column labeled “financial versus tax reporting differences” on the supplemental schedules. Additionally, amounts in the consolidated financial statements are presented in thousands of dollars.