

**American Diabetes Association
Consolidated Financial Statements
As of December 31, 2006
and Report of Independent Auditors**

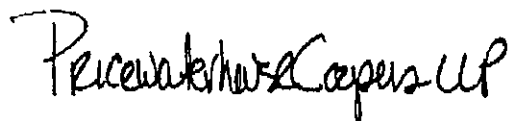
States and Certain Markets

Report of Independent Auditors

To the Board of Directors
American Diabetes Association

In our opinion, the accompanying consolidated statement of financial position and the related consolidated statements of activities, functional expenses and cash flows present fairly, in all material respects, the consolidated financial position of 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) at December 31, 2006, and the changes in their net assets and their cash flows for the eighteen month period then ended, in conformity with accounting principles generally accepted in the United States of America. These consolidated financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these statements in accordance with auditing standards generally accepted in the United States of America which 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 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 and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary states and certain markets schedules are presented for purposes of additional analyses and are not a required part of the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.



June 30, 2007

AMERICAN DIABETES ASSOCIATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as of December 31, 2006

(in thousands of dollars)

ASSETS

Cash and cash equivalents	\$ 13,725
Investments	48,990
Accounts receivable, net	5,271
Inventory and supplies, net	3,757
Prepaid expenses and other assets	3,959
Contributions receivable, net	34,046
Fixed assets, net	<u>10,085</u>
Total assets	<u>\$ 119,833</u>

LIABILITIES AND NET ASSETS

Accounts payable and accrued liabilities	\$ 17,080
Line of credit	9,000
Research grants payable	9,781
Deferred revenues	<u>14,102</u>
Total liabilities	<u>49,963</u>
Unrestricted net assets	27,651
Temporarily restricted net assets	36,422
Permanently restricted net assets	<u>5,797</u>
Total net assets	<u>69,870</u>
Total liabilities and net assets	<u>\$ 119,833</u>

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

**AMERICAN DIABETES ASSOCIATION
CONSOLIDATED STATEMENT OF ACTIVITIES**

for the eighteen month period ended December 31, 2006

(in thousands of dollars)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2006 Total</u>
Revenues and gains:				
Contributions - direct:				
Donations	\$ 96,509	39,823	-	136,332
Special events	70,401	4,432	-	74,833
Less: Costs of direct benefits to donors	(10,605)	-	-	(10,605)
Bequests	23,911	11,510	-	35,421
Contributions indirectly received from federated and nonfederated organizations				
	12,516	190	-	12,706
Grants from government agencies	375	-	-	375
Total contributions	<u>193,107</u>	<u>55,955</u>	<u>-</u>	<u>249,062</u>
Fees from exchange transactions:				
Subscription & other income from periodicals	39,121	-	-	39,121
Sales of materials	12,094	-	-	12,094
Program service fees	13,226	-	-	13,226
Investment income	6,148	533	131	6,812
Miscellaneous revenues	1,564	-	-	1,564
Total fees from exchange transactions	<u>72,153</u>	<u>533</u>	<u>131</u>	<u>72,817</u>
Net assets released from restrictions	<u>52,178</u>	<u>(52,178)</u>	<u>-</u>	<u>-</u>
Total revenues and gains	<u>317,438</u>	<u>4,310</u>	<u>131</u>	<u>321,879</u>
Expenses:				
Program activities:				
Research	83,329	-	-	83,329
Information	94,144	-	-	94,144
Advocacy and public awareness	77,337	-	-	77,337
Total program activities	<u>254,810</u>	<u>-</u>	<u>-</u>	<u>254,810</u>
Supporting services:				
Management and general	12,047	-	-	12,047
Fundraising	70,807	-	-	70,807
Total supporting services	<u>82,854</u>	<u>-</u>	<u>-</u>	<u>82,854</u>
Total expenses	<u>337,664</u>	<u>-</u>	<u>-</u>	<u>337,664</u>
Change in operating net assets	<u>(20,226)</u>	<u>4,310</u>	<u>131</u>	<u>(15,785)</u>
Net assets, beginning of year	<u>47,877</u>	<u>32,112</u>	<u>5,666</u>	<u>85,655</u>
Net assets, end of year	<u>\$ 27,651</u>	<u>36,422</u>	<u>5,797</u>	<u>69,870</u>

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

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

for the eighteen month period ended December 31, 2006

(in thousands of dollars)

	Program Activities			Supporting Services		2006 Total
	Research	Information awareness	Advocacy and public awareness	Management and general	Fundraising	
Grants	\$ 67,303	603	130	-	-	68,036
Employee costs	3,627	29,878	29,925	3,045	25,304	91,779
Professional fees	2,182	13,023	11,097	2,452	7,494	36,248
Supplies	90	4,784	1,140	138	945	7,097
Telecommunications	194	1,553	1,603	147	1,359	4,856
Postage and shipping	960	7,772	6,197	277	10,302	25,508
Occupancy cost	617	6,784	3,200	1,193	2,637	14,431
Equipment rental and maintenance	160	1,208	1,203	159	1,017	3,747
Printing and publications	3,708	18,082	11,743	364	15,102	48,999
Travel	183	1,572	2,059	186	1,521	5,521
Conferences and meetings	3,774	2,791	4,494	344	1,242	12,645
Data processing	94	1,146	1,039	176	1,173	3,628
Depreciation and amortization	57	1,697	1,244	2,093	566	5,657
Miscellaneous	380	3,251	2,263	1,473	2,145	9,512
Total expenses	\$ 83,329	94,144	77,337	12,047	70,807	337,664
Costs of direct benefits to donors						<u>10,605</u>
Total expenses and costs of direct benefits to donors						<u>\$ 348,269</u>

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

AMERICAN DIABETES ASSOCIATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
for the eighteen month period ended December 31, 2006
(in thousands of dollars)

	2006
Cash flows from operating activities:	
Change in net assets	\$ (15,785)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation and amortization	5,657
Net unrealized and realized gain loss on investments	(1,859)
Gain on sale or disposal of assets	(9)
Provision for doubtful contributions and accounts receivable	3,385
Adjustments for changes in operating assets and liabilities:	
Decrease in accounts receivable	1,491
Increase in inventory and supplies	(66)
Increase in prepaid expenses and other assets	(792)
Increase in contributions receivable	(7,555)
Increase in accounts payable and accrued liabilities	6,616
Decrease in research grants payable	(3,172)
Increase in deferred revenues	1,879
Net cash used in operating activities	(10,210)
Cash flows from investing activities:	
Purchases of investments	(84,849)
Sales or maturities of investments	91,333
Proceeds from sale of assets	505
Purchase of fixed assets	(4,278)
Net cash provided by investing activities	2,711
Cash flows from financing activities:	
Payments on capital lease agreements	(951)
Net decrease in cash and cash equivalents	(8,450)
Cash and cash equivalents, beginning of year	22,175
Cash and cash equivalents, end of year	\$ 13,725

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

AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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 and the American Diabetes Association Research Foundation, Inc. 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. Shaping America's Health – Association for Weight Management and Obesity Prevention has applied for exemption under Section 501(c)(3) of 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.

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AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Summary of significant accounting policies

Basis of accounting

The Association prepares its financial statements in accordance with accounting principles generally accepted in the United States of America.

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. Cash and cash equivalents are carried at cost, which approximates fair value.

Investments

Investments primarily consist of the following: contributed commercial real estate, certificates of deposit with original maturities of more than three months, corporate securities, corporate bonds, mutual funds, money market funds and U.S. Government securities. The real estate investment is reported at the appraised value at the time of the donation. Investments in marketable securities and all debt securities are recorded at fair value, which is based on quoted market prices or dealer quotes. Gains and losses arising from the sale, maturity, or other disposition of investments are accounted for on a specific identification basis calculated as of the trade date. Unrealized and realized gains and losses are reported as investment income on the statement of activities. Investment income is reported net of fees as unrestricted revenue unless stipulated for a specific purpose by a donor.

Fair value of financial instruments

The fair values of financial instruments are estimated using available market information and other valuation methodologies in accordance with generally accepted accounting principles. The estimates presented are not necessarily indicative of the amounts that the Association may ultimately realize in a current market exchange. The fair value of financial instruments for which estimated fair value amounts have not been specifically presented is estimated to approximate the book value.

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AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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 and are depreciated on a straight-line basis over the following useful lives:

Buildings	40 years
Building improvements	10 years
Furniture, fixtures and equipment	5 years
Software	5-7 years

Donated assets are recorded at fair market value on the date of receipt. 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.

Net assets

Resources 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 of these assets 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.

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AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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.

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 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, a gift annuity fund and a pooled income fund.

The Association's share of split-interest agreements is included in either investments or contributions receivable. Assets of \$13,219,000 are reported on the statement of financial position as of December 31, 2006, and are valued at fair-

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AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

value or at the present value of the estimated future receipts from the trusts discounted. 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 4.0% 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 \$61,000 for the eighteen months ended December 31, 2006.

Amounts payable to beneficiaries, gift annuities payable, and pooled income fund liabilities of \$2,224,000 are reported as accrued liabilities and deferred revenue on the consolidated statement of financial position as of December 31, 2006.

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 funded 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 statement of financial position.

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AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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, 2006, approximately \$48,349,000 was held at such institutions. The Association has not experienced any credit losses on these financial instruments in past years.

Concentrations of credit risk with respect to contributions receivable are limited because the receivables are from numerous corporations and individuals. Management does not believe significant risk exists in connection with the Association's concentration of credit at December 31, 2006.

Management estimates and uncertainties

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Significant estimates include the value of land donated in 1999. The land is recorded at the appraised value at the time of the gift. Certain tenant leases contain escalation clauses, and rental income is recognized on a straight-line basis over the lease term. Therefore, rental income is recognized in excess of the cash payments received in the initial years of the lease, resulting in the recognition of deferred rent, which is reported as accounts receivable on the statement of financial position. Management believes there is a significant risk that future rent revenue will not be able to be recognized and has estimated a reserve against the deferred rent.

Significant estimates also include valuation of the estimated benefit liability under the Association's self-insured medical plan, including accrued amounts for the post-retirement medical benefit plan.

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AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

The types of investments as of December 31, 2006 are summarized as follows (in thousands):

	<u>2006</u>
Mutual and money market funds	\$ 17,629
U.S. government securities	984
Certificates of deposit	6,942
Real estate	12,850
Corporate securities	10,340
Corporate bonds	<u>245</u>
Total investments	<u>\$ 48,990</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 eighteen months ended December 31, 2006 includes (in thousands):

	<u>2006</u>
Property rental income	\$ 1,762
Net realized and unrealized gains	1,859
Interest and dividends	<u>3,191</u>
Total investment income, net	<u>\$ 6,812</u>

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

5. Gift Annuities

Assets received from donors in exchange for a gift annuity are invested in U.S. government bonds, fixed-income bonds and money market accounts, which are maintained separately from other investments of the Association. As of December 31, 2006, the market value of gift annuity investments was \$4,117,000 and the present value of gift annuity obligations was \$2,139,000. Gift annuities are reserved at the full gift value adjusted for accrued income less beneficiary payments. Assets are held (reserved) to meet the gift annuity obligations. The excess of gift annuity related assets over gift annuity obligations (net assets) is temporarily restricted.

6. Accounts receivable

Accounts receivable, which relate to fees from exchange transactions, are reported net of an allowance for doubtful accounts of approximately \$4,188,000 as of December 31, 2006. 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, 2006, donors have unconditionally promised to give contributions due to the Association as follows (in thousands):

	2006
Within one year	\$ 29,239
One to five years	5,632
Greater than five years	2,114
Total contributions receivable	36,985
Less: allowance for doubtful accounts	(1,701)
Less: present value discount	(1,238)
Contributions receivable, net	\$ 34,046

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AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

8. Fixed assets

Fixed assets consisted of the following as of December 31, 2006 (in thousands):

	2006
Land	\$ 67
Buildings and improvements	1,272
Software	14,139
Furniture, fixtures and equipment	14,215
Total fixed assets	29,693
Less: accumulated depreciation and amortization	(19,608)
Fixed assets, net	\$ 10,085

9. Temporarily restricted net assets

Net assets were temporarily restricted for the following as of December 31, 2006 (in thousands):

	2006
Research	\$ 2,032
Information	7,936
Advocacy	3,496
Sponsorship for fundraising activities	1,176
Time restricted for operations	21,782
Total temporarily restricted net assets	\$ 36,422

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AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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):

	<u>2006</u>
Research activities	\$ 1,738
Information activities	754
Advocacy and public awareness	182
Discretion of the Association	<u>3,123</u>
Total permanently restricted net assets	<u>\$ 5,797</u>

11. Contributed services

The Association recognizes as contributions 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 \$474,000 of contributed services related to the research review process during the eighteen months ended December 31, 2006. The Association also recognized \$3,332,000, in medical services provided in conjunction with the Association's program activities during the eighteen months ended December 31, 2006. 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. Total non-cash contributions received, including contributed services and supplies, were approximately \$7,551,000 for the eighteen month period ended December 31, 2006.

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AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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 eighteen months ended December 31, 2006, were allocated as follows (in thousands):

	<u>2006</u>
Advocacy and public awareness	\$ 24,865
Management and general	2,312
Fundraising	<u>35,576</u>
Total joint costs	<u>\$ 62,753</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 eighteen months ended December 31, 2006, was approximately \$2,750,000.

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 \$4,750,000 in a plan year as of December 31, 2006.

The liability as of December 31, 2006 was \$830,000 and is included in accounts payable and accrued liabilities in the accompanying statement of financial position. Benefit expense under this plan was approximately \$6,400,000 for the eighteen months ended December 31, 2006. The benefit expense includes claims paid and changes to the reserve for future claims.

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AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

15. Postretirement Medical Benefits

The Association also has a benefit plan offering postretirement medical benefits to qualifying employees. In June 2005, the Association decided to curtail the plan effective January 1, 2006. The accrued benefit liability is reported as accounts payable and accrued liabilities on the accompanying statement of financial position.

The accumulated postretirement benefit obligation as of December 31, 2006 was as follows:

	<u>2006</u>
Benefit obligation at beginning of year	\$ 152,000
Service costs	11,000
Interest costs	-
Actuarial (gain)/losses, including assumption changes	(116,000)
Benefits paid	3,000
Benefit obligation at end of year	<u>\$ 50,000</u>

The plan assets as of December 31, 2006 were:

	<u>2006</u>
Fair value of plan assets at beginning of year	\$ -
Employer contributions	(3,000)
Benefits paid	3,000
Fair value of plan assets at end of year	<u>\$ -</u>

The liability as of December 31, 2006 is calculated as follows:

	<u>2006</u>
Accumulated postretirement benefit obligation	\$ (50,000)
Unrecognized actuarial (gain)/loss	(116,000)
Unrecognized prior service cost	-
Unrecognized transition obligation	-
Accrued postretirement benefit liability	<u>\$ (166,000)</u>

The components of the net periodic benefit cost as of December 31, 2006 were:

	<u>2006</u>
Service cost	\$ -
Interest cost	11,000
Amortization of prior service cost	-
Net periodic benefit cost	<u>\$ 11,000</u>

(Continued)

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

Significant assumptions as of December 31, 2006 include:

	2006	
Discount rate:	5.25%	5.25%
Return on plan assets:	N/A	N/A
Healthcare cost trend rate:	Medical	Dental
2007-2008	10%	5%
2009-2010	8%	5%
2011-2012	6%	5%
2013 and thereafter	5%	5%

The following benefit payments, which reflect expected future services, as appropriate, are expected to be paid as of December 31, 2006:

Year ending December 31,		
2007	\$	11,000
2008		11,000
2009		14,000
2010		15,000
2011		6,000
Years 2012-2016		-

The health care trend rate assumption has a significant effect on the amounts reported. Increasing the assumed health care cost trend rate by one percentage point would have the following effects as of and for the years ended December 31:

	2006
Increase the accumulated postretirement benefit obligation	\$ 2,000
Increase the aggregate of the service and interest cost components of the net periodic postretirement benefit expense	-

(Continued)

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

Decreasing the assumed health care cost trend rate by one percentage point would have the following effects as of and for the years ended December 31:

	2006
Decrease the accumulated postretirement benefit obligation	\$ (2,000)
Decrease the aggregate of the service and interest cost components of the net periodic postretirement benefit expense	-
	-

16. Other employee benefit plans

The Association has deferred compensation and life insurance agreements with certain current and former executives and certain highly compensated employees. As of December 31, 2006, \$829,000 was included in accounts payable and accrued liabilities in the accompanying statements of financial position. Under these agreements, amounts are payable upon the earlier of their retirement or termination.

17. Line of credit

In fiscal year 2004, the Association obtained 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 2007. As of December 31, 2006, \$9 million was outstanding on the line of credit. Interest and fees for the eighteen months ended December 31, 2006, were approximately \$91,000.

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 minimum of unrestricted, unencumbered marketable securities, cash and cash equivalents of not less than \$25,000,000.

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AMERICAN DIABETES ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

18. Lease commitments

Operating leases

The Association is obligated under various noncancelable operating lease agreements for office facilities expiring at various dates between February 2007 and June 2015. The terms of the main office facility lease 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 January 2012.

As of December 31, 2006, 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,	
2007	\$ 7,037
2008	6,413
2009	5,374
2010	4,481
2011 and thereafter	<u>19,221</u>
Total minimum lease payments	<u>\$ 42,526</u>

Rent expense totaled approximately \$12,928,000 for the eighteen months ended December 31, 2006.

Capital leases

The Association leases telecommunications equipment under capital lease agreements expiring on various dates through 2009. Assets and interest expense under these agreements as of and for the eighteen months ended 2006 are as follows:

	<u>2006</u>
New assets acquired	\$ 77,000
Total assets under capital lease	3,723,000
Interest expense	<u>96,000</u>

(Continued)

AMERICAN DIABETES ASSOCIATION
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As of December 31, 2006, the future minimum lease payments under capital leases were (in thousands):

Year ending December 31,	
2007	\$ 395
2008	387
2009	<u>302</u>
Total minimum lease payments	1,084
Less: Amount representing interest	<u>(120)</u>
Present value of lease obligation	<u>\$ 964</u>

19. 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, 2006, the future minimum lease payments due to the Association under these leases were (in thousands):

Eighteen months ending December 31,	
2007	\$ 1,214
2008	1,252
2009	1,298
2010	1,306
2011 and thereafter	<u>57,831</u>
Total minimum lease receipts	<u>\$ 62,901</u>

(Continued)

AMERICAN DIABETES ASSOCIATION
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Tenant leases contain escalation clauses throughout the terms of the leases, and rental income is recognized on a straight-line basis over the lease term. Therefore, rental income is recognized in excess of the cash payments received in the initial years of the lease, resulting in the recognition of deferred rent. The deferred rent is reduced over the terms of the leases as cash payments received exceed rental income recognized. 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, 2006. Due to market conditions, management believes a significant risk exists that future rent revenue will not be recognized, and therefore, has recorded an allowance against the deferred rent in the amount of \$2,984,000 for the eighteen months ended December 31, 2006.

SUPPLEMENTARY INFORMATION

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	REVENUE										Total	
	Alabama	Alaska	Arizona	Arkansas	Los Angeles	Orange County	Sacramento	San Diego	San Francisco	San Jose		Other*
Contributions:												
Direct contributions	\$ 681,140	\$ 769,707	\$ 2,548,507	\$ 1,551,086	\$ 5,822,932	\$ 1,478,159	\$ 1,424,486	\$ 1,501,322	\$ 2,036,481	\$ 2,214,556	\$ 1,063,502	\$ 15,541,438
Indirect contributions	103,741	87,353	438,257	18,522	272,532	115,001	349,273	208,934	158,289	30,270	48,069	1,182,388
Government grants	30,000	52,500	-	-	-	-	-	-	-	-	-	-
Total Contributions	814,881	909,560	2,986,764	1,569,608	6,095,464	1,593,160	1,773,759	1,710,276	2,194,770	2,244,826	1,111,571	16,723,826
Program Service Fees:												
Sales of Materials	-	608	2,039	-	-	-	43	-	2,750	-	18	2,811
Subscription Income (excludes advertising)	-	-	-	-	-	-	-	-	-	-	-	-
Ticketed Meal Functions	-	-	-	-	-	-	-	448	-	-	-	448
Booth Rental	-	-	900	500	-	-	-	-	-	-	-	-
Registration	-	9,950	92,455	16,630	-	21,280	-	9,671	-	-	-	30,951
Other Program Service Fees	-	20	-	2,250	-	-	-	5,257	-	-	-	5,257
Total Program Service Revenue	-	10,578	95,394	19,380	-	21,280	43	15,376	2,750	-	18	39,467
Membership Dues	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income (cash equivalents)	-	-	-	-	-	-	-	-	-	-	-	-
Dividend/Interest Income (securities)	-	-	-	-	-	-	-	-	-	-	-	-
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	109,289	164,060	253,896	70,522	347,893	281,132	127,836	124,255	201,282	120,324	45,370	1,248,042
Less: Direct Benefit Expenses	(109,289)	(164,060)	(253,896)	(70,522)	(347,893)	(281,132)	(127,836)	(124,255)	(201,282)	(120,324)	(45,370)	(1,248,042)
Net Income from Special Events	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenue:												
Royalty	-	-	-	-	-	-	-	-	-	-	-	-
Advertising Income	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Revenue	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	814,881	920,138	3,082,158	1,588,988	6,095,464	1,614,440	1,773,802	1,725,632	2,197,520	2,244,826	1,111,589	16,765,293
EXPENSES												
Program Activities:												
Research	194,468	147,554	993,004	533,972	2,254,403	549,801	569,258	539,214	804,937	865,440	324,132	5,907,185
Information	229,457	295,489	646,798	244,650	769,258	305,728	245,041	308,507	364,748	233,924	112,694	2,339,900
Advocacy & Public Awareness	295,947	271,263	700,089	204,769	996,817	335,883	329,475	333,024	495,720	308,524	162,490	2,961,933
Subtotal Program Activities	719,872	714,306	2,339,891	983,391	4,020,478	1,191,412	1,143,774	1,180,745	1,665,405	1,407,888	599,316	11,209,018
Management and General	19,188	20,517	41,786	13,362	67,608	23,288	23,940	22,732	33,815	21,411	11,309	204,103
Fundraising	212,673	224,859	559,032	166,447	841,705	311,709	275,678	284,629	414,318	263,082	156,625	2,527,746
TOTAL EXPENSES	951,733	959,682	2,940,709	1,163,200	4,929,791	1,526,409	1,443,392	1,488,106	2,113,538	1,692,381	747,250	13,940,867
NET ASSETS												
Excess (Deficit)	(136,852)	(39,544)	141,449	425,788	1,165,673	88,021	330,410	237,546	83,982	552,445	364,339	2,822,426
Beginning Net Assets	385,545	(924,014)	2,480,941	923,295	6,743,404	-	-	2,391,663	-	-	71,627	9,206,694
Other Changes in Net Assets	-	-	-	3,081	-	-	-	-	-	-	-	315,130
ENDING NET ASSETS	248,693	(963,558)	2,622,390	1,352,114	7,909,077	88,031	330,410	2,629,209	83,982	552,445	751,096	12,344,220

* Includes other local markets within the state

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	Hawaii		Idaho		Chicago		Illinois		Total		Indiana		Iowa		Kansas		Kentucky		Louisiana		Maine		
							Other ^A				Baton Rouge	Other ^A											Total
REVENUE																							
Contributions:																							
Direct contributions	\$ 809,434	\$ 278,118	\$ 9,987,431	\$ 1,810,271	\$ 11,797,702	\$ 2,155,713	\$ 1,418,612	\$ 1,598,515	\$ 1,303,330	\$ 1,728,845	\$ 199,089	\$ 792,772	\$ 991,861	\$ 447,456	\$ 17,046								
Indirect contributions	53,332	8,078	383,737	34,387	418,124	138,892	102,654	51,783															
Government grants																							
Total Contributions	862,666	286,196	10,371,168	1,844,658	12,215,826	2,294,605	1,521,266	1,028,744	1,303,330	1,728,845	257,714	829,049	1,086,763	464,502	17,046								
Program Service Fees:																							
Sales of Materials	-	-	-	340	340	15	495	83															
Subscription Income (excludes advertising)	-	-	50	-	50	-	-	-	-	23	-	-	-	-	-	-	-	-	-	-	-	-	-
Ticketed Meal Functions	-	-	-	-	-	-	-	-	-	50	-	-	-	-	-	-	-	-	-	-	-	-	-
Booth Rental	-	-	6,000	-	6,000	600	-	-	-	-	150	-	-	-	-	-	-	-	-	-	-	-	-
Registration	4,910	-	313,169	74,249	387,418	27,720	5,775	54,425	37,616	2,621	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Program Service Fees	-	-	-	777	777	-	10	696	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Program Service Revenue	4,910	-	319,219	75,366	394,585	28,335	6,280	55,204	40,310	2,621	150	-	-	-	-	-	-	-	-	-	-	-	-
Membership Dues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income (cash equivalents)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend/Interest Income (securities)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Investment Income	-	-	14,297	-	14,297	-	-	-	3,884	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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	31,895	1,302	298,844	109,065	407,909	227,785	77,440	71,587	231,632	231,632	15,306	39,737	55,043	47,862									
Less: Direct Benefit Expenses	(31,895)	(1,302)	(298,844)	(109,065)	(407,909)	(227,785)	(77,440)	(71,587)	(231,632)	(231,632)	(15,306)	(39,737)	(55,043)	(47,862)									
Net Income from Special Events	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenue:																							
Royalty	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advertising Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	867,576	286,196	10,704,684	1,920,024	12,624,708	2,322,972	1,527,546	1,083,948	1,773,039	1,773,039	257,864	829,049	1,086,913	464,551	17,046								
EXPENSES																							
Program Activities:																							
Research	241,900	32,203	2,578,063	703,008	3,281,071	753,288	419,402	69,063	578,973	578,973	-	76,322	76,322	164,101									
Information	246,131	29,760	1,027,238	330,357	1,357,595	396,806	179,460	338,296	450,587	450,587	76,522	492,406	568,928	68,351									
Advocacy & Public Awareness	226,763	41,916	911,727	245,212	1,156,939	713,345	250,039	195,084	357,383	357,383	100,084	196,321	296,405	109,347									
Subtotal Program Activities	716,794	103,879	4,517,028	1,278,577	5,795,605	1,863,439	848,901	603,443	1,386,943	1,386,943	176,606	765,049	941,655	341,799									
Management and General	16,354	2,901	56,367	15,876	72,243	31,380	18,660	13,863	25,204	25,204	6,737	13,972	20,709	5,652									
Fundraising	162,277	32,199	638,012	210,101	848,113	385,504	218,607	170,565	312,443	312,443	71,738	145,918	217,656	89,608									
TOTAL EXPENSES	895,425	138,979	5,211,407	1,504,554	6,715,961	2,280,323	1,086,168	787,871	1,724,590	1,724,590	255,081	924,939	1,180,020	437,259									
NET ASSETS																							
Excess (Deficit)	(27,849)	147,217	5,493,277	415,470	5,908,747	42,649	441,378	296,077	48,449	48,449	2,783	(95,890)	(93,107)	27,292									
Beginning Net Assets	(389,361)	(362,827)	11,468,833	2,912,345	14,381,178	3,324,081	2,705,993	1,568,460	354,816	354,816	(509,335)	(136,149)	(645,484)	510,799									
Other Changes in Net Assets	-	-	(4,420)	(4,420)	(4,420)	(4,420)	-	-	(969)	(969)	-	-	-	-									
ENDING NET ASSETS	\$(417,210)	\$(215,610)	\$ 16,957,690	\$ 3,327,815	\$ 20,285,505	\$ 3,370,386	\$ 3,147,371	\$ 1,864,537	\$ 402,296	\$ 402,296	\$ (506,552)	\$ (232,039)	\$ (738,591)	\$ 510,799									

^A Includes other local markets within the state

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	Maryland		Massachusetts	Michigan	Minnesota	Mississippi		Missouri	Montana	Nebraska
	Baltimore	Other*				Kansas City	Other**			
REVENUE										
Contributions:										
Direct contributions	\$ 1,715,202	\$ 482,563	\$ 3,422,513	\$ 4,365,918	\$ 3,380,564	\$ 35,383	\$ 2,921,862	\$ 259,833	\$ 600,942	
Indirect contributions	486,482	53,451	214,928	797,968	431,783	47	447,054	5,971	133,440	
Government grants								4,995		
Total Contributions	2,199,684	536,014	3,637,441	5,163,886	3,812,347	35,430	3,368,916	270,799	734,382	
Program Service Fees:										
Sales of Materials			846	1,399	2,405		1,720	59	1,942	
Subscription Income (excludes advertising)										
Ticketed Meal Functions										
Booth Rental							1,750			
Registration			34,176	377,594	807		2,725			
Other Program Service Fees			110	5,290	3,609		123,488		34,188	
Total Program Service Revenue			35,132	384,283	6,821		812		364	62
Membership Dues							130,495		34,611	2,004
Interest Income (cash equivalents)										
Dividend/Interest Income (securities)			13,500	5,577						
Other Investment Income										
Gross Repts										
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	92,992	88,260	337,698	366,430	227,013	874	276,822	6,680	46,993	
Less: Direct Benefit Expenses	(92,992)	(88,260)	(337,698)	(366,430)	(227,013)	(874)	(276,822)	(6,680)	(46,993)	
Net Income from Special Events										
Other Revenue:										
Royalty										
Advertising Income										
Other revenue			410		200					
Total Other Revenue			410		200					
TOTAL REVENUES	2,199,684	536,014	3,686,483	5,553,746	3,819,368	35,430	3,499,411	305,410	736,386	
EXPENSES										
Program Activities:										
Research	415,825	515,143	934,139	1,890,844	2,015,392	7,003	254,959	36,106	169,609	
Information	339,149	207,787	740,430	1,450,678	419,201	3,320	298,845	164,343	76,681	
Advocacy & Public Awareness	364,675	254,539	1,103,464	943,928	810,975	7,335	157,762	75,541	105,619	
Subtotal Program Activities	1,119,649	977,469	2,778,033	4,285,450	3,245,568	17,658	711,566	275,990	351,909	
Management and General	25,255	19,460	62,644	65,890	38,374	308	40,259	5,166	7,108	
Fundraising	289,292	201,975	754,287	759,516	477,365	4,074	117,023	56,907	82,196	
TOTAL EXPENSES	1,434,196	1,198,904	3,594,964	5,110,856	3,761,307	22,040	840,662	338,263	441,213	
NET ASSETS										
Excess (Deficit)	765,488	(662,890)	91,519	442,890	58,061	13,390	(402,757)	(32,853)	295,173	
Beginning Net Assets	1,715,445	982,605	1,055,697	9,788,951	6,702,307	(437,542)	271,724	(641,092)	1,273,574	
Other Changes in Net Assets			24,153	4,841	1,957	9,389	5,566,495			
ENDING NET ASSETS	\$ 2,480,933	\$ 319,715	\$ 2,800,648	\$ 10,236,682	\$ 6,762,325	\$ (414,763)	\$ (131,033)	\$ (673,945)	\$ 1,568,747	

* Includes other local markets within the state

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	Nevada	New Hampshire	New Jersey	New Mexico	New York City	New York Other*	N. Carolina	N. Dakota
REVENUE								
Contributions:								
Direct contributions	\$ 296,223	\$ 792,415	\$ 3,928,590	\$ 444,249	\$ 5,223,391	\$ 3,179,707	\$ 3,065,671	\$ 290,689
Indirect contributions	49,745	14,161	288,122	117,757	452,476	437,148	333,291	54,844
Government grants								
Total Contributions	345,968	806,576	4,216,712	562,006	5,675,867	3,616,855	3,398,962	345,533
Program Service Fees:								
Sales of Merchants			146	600	207	187	127	46
Subscription Income (excludes advertising)								
Ticketed Meal Functions								
Booth Rental				2,400				
Registration		178,043		23,273	16,650	164,815	131,020	5,915
Other Program Service Fees		4,475			1,077	105	1,824	32
Total Program Service Revenue		182,518	146	26,273	17,934	165,107	132,971	5,993
Membership Dues								
Interest Income (cash equivalents)								
Dividend/Interest Income (securities)						3,505	2,272	824
Other Investment Income								
Gross Reims								
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	21,993	24,836	224,876	27,509	519,506	354,955	173,251	26,514
Excluding Contributions Reported Above	(21,993)	(24,836)	(224,876)	(27,509)	(519,506)	(354,955)	(173,251)	(26,514)
Less: Direct Benefit Expenses								
Net Income from Special Events								
Other Revenue:								
Royalty								
Advertising Income								
Other revenue								
Total Other Revenue								
TOTAL REVENUES	345,968	989,094	4,216,858	588,279	5,693,801	3,785,467	3,534,205	350,350
EXPENSES								
Program Activities:								
Research	63,757		1,339,647	52,371	1,473,788	1,232,271	1,302,929	13,240
Information	73,893	420,693	461,376	220,850	1,043,529	810,660	655,845	182,319
Advocacy & Public Awareness	101,659	43,025	680,295	156,380	1,618,069	839,710	455,288	73,896
Subtotal Program Activities	239,309	463,718	2,481,318	429,601	4,135,386	2,882,641	2,414,062	269,455
Management and General	6,885	1,910	41,321	9,843	87,358	54,123	34,381	7,016
Fundraising	82,147	39,151	587,580	106,644	1,327,025	631,816	394,621	61,856
TOTAL EXPENSES	328,341	504,779	3,110,219	546,088	5,549,769	3,568,580	2,843,064	338,327
NET ASSETS								
Excess (Deficit)	17,627	484,315	1,106,639	42,191	144,032	216,887	691,141	14,023
Beginning Net Assets	326,423	758,044	4,292,060	154,173	11,135,884	(1,952,765)	829,509	(68,657)
Other Changes in Net Assets				8,292	6,814	6,814	9,855	
ENDING NET ASSETS	\$ 344,050	\$ 1,242,359	\$ 5,398,699	\$ 204,656	\$ 11,279,916	\$ (1,729,064)	\$ 1,530,505	\$ (54,644)

* Includes other local markets within the state

American Diabetes Association
Statement of Activities
Form 990 Detail Listed by State and Certain Markets
For the 18 Months Ended December 31, 2006

	Ohio						Total
	Dayton	Cincinnati	Cleveland	Columbus	Toledo	Other ^a	
REVENUE							
Contributions:							
Direct contributions	\$ 208,063	\$ 1,411,123	\$ 1,597,479	\$ 404,324	\$ 395,645	\$ 461,280	\$ 4,477,914
Indirect contributions	-	20,080	40,251	136,463	30,754	6,924	234,472
Government grants	-	-	-	-	-	-	-
Total Contributions	208,063	1,431,203	1,637,730	540,787	426,399	468,204	4,712,386
Program Service Fees:							
Sales of Materials	-	71	-	45	1,270	-	1,386
Subscription Income (excludes advertising)	-	-	-	-	-	-	-
Ticketed Meal Functions	-	-	-	-	-	-	-
Booth Rental	-	3,025	243	-	-	57	3,325
Registration	-	88,470	-	-	3,270	-	91,740
Other Program Service Fees	-	37	-	278	-	315	630
Total Program Service Revenue	-	91,603	243	323	4,540	57	96,766
Membership Dues	-	-	-	-	-	-	-
Interest Income (cash equivalents)	-	-	-	-	-	-	-
Dividend/Interest Income (securities)	-	2,290	705	-	-	-	2,995
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	10,567	96,738	160,208	33,945	45,492	12,029	358,979
Less: Direct Benefit Expenses	(10,567)	(96,738)	(160,208)	(33,945)	(45,492)	(12,029)	(358,979)
Net Income from Special Events	-	-	-	-	-	-	-
Other Revenue:							
Royalty	-	-	-	-	-	-	-
Advertising Income	-	-	-	-	-	-	-
Other revenue	-	401	-	-	-	-	401
Total Other Revenue	-	401	-	-	-	-	401
TOTAL REVENUES	208,063	1,525,497	1,638,678	541,110	430,939	468,261	4,812,548
EXPENSES							
Program Activities:							
Research	80,051	497,656	637,277	60,962	116,691	117,004	1,509,621
Information	6,387	533,321	261,080	126,947	85,371	41,516	1,054,622
Advocacy & Public Awareness	21,353	150,195	364,347	180,671	113,490	72,684	902,740
Subtotal Program Activities	107,791	1,181,152	1,262,704	368,580	315,552	231,204	3,466,983
Management and General	591	9,484	23,686	12,354	13,845	10,957	70,917
Fundraising	21,037	121,438	335,108	145,322	106,946	78,781	808,632
TOTAL EXPENSES	129,419	1,312,074	1,621,498	526,256	436,343	320,942	4,346,532
NET ASSETS							
Excess (Deficit)	78,644	213,423	17,180	14,854	(5,404)	147,319	466,016
Beginning Net Assets	85,667	597,142	941,278	406,278	528,007	282,251	2,840,624
Other Changes in Net Assets	-	9,694	-	-	2,435	-	12,129
ENDING NET ASSETS	\$ 164,311	\$ 820,259	\$ 958,458	\$ 421,132	\$ 525,038	\$ 429,570	\$ 3,318,769

	Oklahoma		Total
	Oklahoma City	Other ^a	
Contributions:			
Direct contributions	\$ 170,476	\$ 1,257,346	\$ 1,427,822
Indirect contributions	55,280	28,920	84,200
Government grants	-	-	-
Total Contributions	225,756	1,286,266	1,512,022
Program Service Fees:			
Sales of Materials	-	156	156
Subscription Income (excludes advertising)	-	-	-
Ticketed Meal Functions	-	-	-
Booth Rental	-	-	-
Registration	-	-	-
Other Program Service Fees	-	-	-
Total Program Service Revenue	-	156	156
Membership Dues	-	-	-
Interest Income (cash equivalents)	-	-	-
Dividend/Interest Income (securities)	-	-	-
Other Investment Income	2,513	-	2,513
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	13,126	55,843	68,969
Less: Direct Benefit Expenses	(13,126)	(55,843)	(68,969)
Net Income from Special Events	-	-	-
Other Revenue:			
Royalty	-	-	-
Advertising Income	-	-	-
Other revenue	-	-	-
Total Other Revenue	-	-	-
TOTAL REVENUES	228,269	1,286,422	1,514,691
EXPENSES			
Program Activities:			
Research	21,657	290,915	312,572
Information	75,410	114,184	189,594
Advocacy & Public Awareness	97,126	147,511	244,637
Subtotal Program Activities	194,193	552,610	746,803
Management and General	6,907	12,408	19,315
Fundraising	70,023	121,894	191,917
TOTAL EXPENSES	271,123	686,912	938,035
NET ASSETS			
Excess (Deficit)	(42,854)	599,510	556,656
Beginning Net Assets	(286,540)	456,143	169,603
Other Changes in Net Assets	6,135	-	6,135
ENDING NET ASSETS	\$ (323,259)	\$ 1,055,653	\$ 732,394

	Oregon		Total
	Oregon	Other ^a	
Contributions:			
Direct contributions	\$ 2,161,631	\$ 2,161,631	\$ 4,323,262
Indirect contributions	37,031	-	37,031
Government grants	-	-	-
Total Contributions	2,198,662	2,161,631	4,360,293
Program Service Fees:			
Sales of Materials	-	-	-
Subscription Income (excludes advertising)	-	-	-
Ticketed Meal Functions	-	-	-
Booth Rental	-	-	-
Registration	-	-	-
Other Program Service Fees	-	-	-
Total Program Service Revenue	-	-	-
Membership Dues	-	-	-
Interest Income (cash equivalents)	-	-	-
Dividend/Interest Income (securities)	-	-	-
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	297,547	-	297,547
Less: Direct Benefit Expenses	(297,547)	-	-
Net Income from Special Events	-	-	-
Other Revenue:			
Royalty	-	-	-
Advertising Income	-	-	-
Other revenue	-	-	-
Total Other Revenue	-	-	-
TOTAL REVENUES	2,198,662	2,161,631	4,360,293
EXPENSES			
Program Activities:			
Research	752,947	-	752,947
Information	399,364	-	399,364
Advocacy & Public Awareness	645,199	-	645,199
Subtotal Program Activities	1,797,510	-	1,797,510
Management and General	30,355	-	30,355
Fundraising	407,708	-	407,708
TOTAL EXPENSES	2,235,573	-	2,235,573
NET ASSETS			
Excess (Deficit)	31,252	-	31,252
Beginning Net Assets	1,110,021	-	1,110,021
Other Changes in Net Assets	5,742	-	5,742
ENDING NET ASSETS	\$ 1,147,015	\$ -	\$ 1,147,015

	Pennsylvania		Total
	Pennsylvania	Other ^a	
Contributions:			
Direct contributions	\$ 6,045,390	\$ 6,045,390	\$ 12,090,780
Indirect contributions	462,433	-	462,433
Government grants	-	-	-
Total Contributions	6,507,823	6,045,390	12,553,213
Program Service Fees:			
Sales of Materials	-	-	-
Subscription Income (excludes advertising)	-	-	-
Ticketed Meal Functions	-	-	-
Booth Rental	-	-	-
Registration	-	-	-
Other Program Service Fees	-	-	-
Total Program Service Revenue	-	-	-
Membership Dues	-	-	-
Interest Income (cash equivalents)	-	-	-
Dividend/Interest Income (securities)	-	-	-
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	335,932	-	335,932
Less: Direct Benefit Expenses	(335,932)	-	-
Net Income from Special Events	-	-	-
Other Revenue:			
Royalty	-	-	-
Advertising Income	-	-	-
Other revenue	-	-	-
Total Other Revenue	-	-	-
TOTAL REVENUES	6,507,823	6,045,390	12,553,213
EXPENSES			
Program Activities:			
Research	2,287,076	-	2,287,076
Information	1,317,263	-	1,317,263
Advocacy & Public Awareness	1,617,154	-	1,617,154
Subtotal Program Activities	5,221,493	-	5,221,493
Management and General	96,778	-	96,778
Fundraising	1,069,079	-	1,069,079
TOTAL EXPENSES	6,387,350	-	6,387,350
NET ASSETS			
Excess (Deficit)	352,435	-	352,435
Beginning Net Assets	4,279,465	-	4,279,465
Other Changes in Net Assets	35,519	-	35,519
ENDING NET ASSETS	\$ 4,657,419	\$ -	\$ 4,657,419

American Diabetes Association
Statement of Activities
Form 990 Detail Listed by State and Certain Markets
For the 18 Months Ended December 31, 2006

	REVENUE						Total
	Rhode Island	S. Carolina	S. Dakota	Tennessee	Texas	Vermont	
Contributions:							
Direct contributions	\$ 723,541	\$ 793,501	\$ 221,667	\$ 2,760,802	\$ 2,550,700	\$ 1,235,227	\$ 9,424,903
Indirect contributions	12,728	92,585	85,785	174,566	160,012	143,095	311,742
Government grants					20,161	45,300	65,461
Total Contributions	736,269	886,086	307,452	2,935,368	2,710,712	1,398,393	10,105,123
Program Service Fees:							
Sales of Materials			1,197	279		441	828
Subscription Income (excludes advertising)							
Ticketed Meal Functions				4,250			3,914
Booth Rental				4,843			39,065
Registration		5,061			11,633	27,432	6,182
Other Program Service Fees			37	469	428	5,816	9,924
Total Program Service Revenue		5,061	1,234	9,841	12,061	6,257	41,657
Membership Dues							59,975
Interest Income (cash equivalents)							
Dividend/Interest Income (securities)							5,647
Other Investment Income							
Gross Repts							
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	29,375	87,462	12,676	213,676	355,959	95,174	1,032,547
Excluding Contributions Reported Above	(29,375)	(87,462)	(12,676)	(213,676)	(355,959)	(95,174)	(1,032,547)
Less: Direct Benefit Expenses							
Net Income from Special Events							
Other Revenue:							
Royalty							
Advertising Income							
Other revenue	42						
Total Other Revenue	42						
TOTAL REVENUES	736,311	891,147	308,686	2,945,209	2,722,773	1,404,650	10,170,745
EXPENSES							
Program Activities:							
Research	167,921	359,771	80,603	982,652	648,622	401,796	3,357,194
Information	82,626	140,877	42,866	577,797	647,618	238,249	1,179,652
Advocacy & Public Awareness	107,350	182,699	56,218	717,280	788,280	413,173	1,399,394
Subtotal Program Activities	357,897	683,347	179,687	2,277,729	2,084,520	1,053,218	4,885,822
Management and General	7,202	13,599	3,703	50,378	45,990	21,560	153,450
Fundraising	80,105	164,880	51,039	587,359	536,083	253,838	954,100
TOTAL EXPENSES	445,204	861,826	234,429	2,895,466	2,666,593	1,328,616	5,925,822
NET ASSETS							
Excess (Deficit)	291,107	29,321	74,257	49,743	56,180	76,034	249,714
Beginning Net Assets	367,451	(13,380)	(1,440)	1,196,948	(156,560)	898,360	532,220
Other Changes in Net Assets	107,962				(2,020)		51,544
ENDING NET ASSETS	\$ 766,520	\$ 15,941	\$ 72,817	\$ 1,246,691	\$ (102,400)	\$ 974,394	\$ 701,264
							\$ (224,210)
							\$ 432,404

American Diabetes Association
Statement of Activities
Form 990 Detail Listed by State and Certain Markets
For the 18 Months Ended December 31, 2006

REVENUE	Virginia		Washington		Washington D.C.	W. Virginia	Wisconsin	Wyoming
	Hampton Roads	Other*	Seattle	Other*				
Contributions:								
Direct contributions	702,580	4,293,389	2,270,180	456,780	1,763,142	238,344	3,777,705	14,833
Indirect contributions	323,161	333,920	457,203	10,019	560,743	12,265	259,452	-
Government grants								
Total Contributions	1,025,741	4,627,309	2,727,383	466,799	2,323,885	250,609	4,037,157	14,833
Program Service Fees:								
Sales of Materials	10	279	1,746	827	965	303	1,041	-
Subscription Income (excludes advertising)	-	50	-	-	-	-	-	-
Ticketed Meal Functions	-	-	-	-	-	-	-	-
Booth Rental	100	-	-	-	-	-	-	-
Registration	-	-	7,740	-	50	1,633	385,674	-
Other Program Service Fees	-	-	560	-	1,469	136	2,480	-
Total Program Service Revenue	110	329	10,046	827	2,484	2,072	389,195	-
Membership Dues	-	-	-	-	-	-	-	-
Interest Income (cash equivalents)	-	-	-	-	-	-	-	-
Dividend/Interest Income (securities)	-	8,500	-	-	-	-	8,063	-
Other Investment Income	-	-	-	-	-	-	-	-
Gross Revenues	-	-	-	-	-	-	-	-
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	88,193	186,378	158,116	39,664	282,880	26,551	197,556	-
Excluding Contributions Reported Above	(88,193)	(186,378)	(158,116)	(39,664)	(282,880)	(26,551)	(197,556)	-
Less: Direct Benefit Expenses	-	-	-	-	-	-	-	-
Net Income from Special Events	-	-	-	-	-	-	-	-
Other Revenue:	-	-	-	-	-	-	-	-
Royalty	-	-	-	-	-	-	-	-
Advertising Income	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total Other Revenue	-	-	-	-	-	-	-	-
TOTAL REVENUES	1,025,851	4,636,138	2,737,429	467,626	2,326,369	252,681	4,434,415	14,833
EXPENSES								
Program Activities:								
Research	159,356	292,687	873,121	208,511	1,204,910	61,228	1,315,203	4,473
Information	231,685	311,231	621,961	54,580	228,375	54,988	1,401,628	975
Advocacy & Public Awareness	289,349	440,024	683,379	78,309	478,109	71,094	485,290	1,748
Subtotal Program Activities	680,390	1,043,942	2,178,461	341,400	1,911,394	187,310	3,202,121	7,196
Management and General	21,206	28,401	40,397	4,593	24,594	4,868	32,804	82
Fundraising	240,850	382,640	499,055	68,381	332,900	56,423	385,232	1,455
TOTAL EXPENSES	942,446	1,454,983	2,717,913	414,374	2,268,888	248,601	3,620,157	8,733
NET ASSETS								
Excess (Deficit)	83,405	3,181,155	19,516	53,252	57,481	4,080	814,258	6,100
Beginning Net Assets	966,836	5,245,168	2,348,551	(1,654,523)	(316,731)	223,619	(9,749,058)	(126,024)
Other Changes in Net Assets	-	-	-	-	-	-	28,137	-
ENDING NET ASSETS	1,050,241	8,426,323	2,368,067	(1,601,271)	(259,250)	227,699	(8,906,663)	(119,924)

* Includes other local markets within the state

American Diabetes Association
Statement of Activities
Form 990 Detail Listed by State and Certain Markets
For the 18 Months Ended December 31, 2008

REVENUE	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**
Contributions:								
Direct contributions	\$ 83,345,028	\$ 221,741,264	\$ 9,107,084	\$ -	\$ 3,283,050	\$ (2,001,841)	\$ 3,851,279	\$ 235,980,836
Indirect contributions	395,281	12,706,070	59,921,956	-	-	(59,921,956)	-	12,706,070
Government grants	-	375,392	-	-	-	-	-	375,392
Total Contributions	83,740,309	234,822,726	69,029,040	-	3,283,050	(61,923,797)	3,851,279	249,062,298
Program Service Fees:								
Sales of Materials	12,044,452	12,093,761	-	-	-	-	-	12,093,761
Subscription Income (excludes advertising)	22,352,812	22,353,062	-	-	-	-	-	22,353,062
Ticketed Meal Functions	-	3,190	-	-	-	-	-	3,190
Booth Rental	3,423,532	3,479,607	-	-	-	-	-	3,479,607
Registration	5,320,224	8,313,819	-	-	-	-	-	8,313,819
Other Program Service Fees	1,337,853	1,429,276	-	2,405,972	-	(2,405,972)	-	1,429,276
Total Program Service Revenue	44,478,873	47,672,715	-	2,405,972	-	(2,405,972)	-	47,672,715
Membership Dues	2,430,053	2,430,053	-	-	-	-	-	2,430,053
Interest Income (cash equivalents)	65,625	65,625	-	-	-	-	-	65,625
Dividend/Interest Income (securities)	2,068,735	2,176,726	-	-	-	-	2,729,132	2,176,726
Other Investment Income	1,762,200	1,762,200	-	-	-	-	-	4,491,332
Gross Rents	-	-	-	-	-	-	-	-
Less: Rental Expenses	-	-	-	-	-	-	-	-
Net Rental Income	-	-	-	-	-	-	-	-
Amount from Sale of Securities	78,094	78,094	-	-	-	-	-	78,094
Less: Cost or Basis	-	-	-	-	-	-	-	-
Net Gain (Loss) from Sale of Securities	78,094	78,094	-	-	-	-	-	78,094
Amount from Sale of Fixed Assets	-	-	-	-	-	-	-	-
Less: Cost or Basis	-	-	-	-	-	-	-	-
Net Gain (Loss) from Sale of Fixed Assets	-	-	-	-	-	-	-	-
Gross Revenue from Special Events	29,839	10,605,405	-	-	-	-	-	10,605,405
Excluding Contributions Reported Above	(29,839)	(10,605,405)	-	-	-	-	-	(10,605,405)
Less: Direct Benefit Expenses	-	-	-	-	-	-	-	-
Net Income from Special Events	-	-	-	-	-	-	-	-
Other Revenue:								
Royalty	492,093	492,093	-	-	-	-	-	492,093
Advertising Income	14,337,778	14,337,778	-	-	-	-	-	14,337,778
Other revenue	1,070,449	1,071,908	-	-	-	-	-	1,071,908
Total Other Revenue	15,900,320	15,901,779	-	-	-	-	-	15,901,779
TOTAL REVENUES	150,524,209	304,909,918	69,029,040	2,405,972	3,283,050	(64,329,769)	6,580,411	321,878,622
EXPENSES								
Program Activities:								
Research	29,167,144	75,474,226	67,302,799	-	-	(59,921,956)	473,805	83,328,874
Information	67,594,427	90,553,474	-	-	312,092	(99,216)	3,377,474	94,143,824
Advocacy & Public Awareness	45,079,281	74,549,597	-	-	2,878,374	(90,948)	-	77,337,023
Subtotal Program Activities	136,840,852	240,577,297	67,302,799	-	3,190,466	(60,112,120)	3,851,279	254,869,721
Management and General	10,199,845	12,091,048	733,652	643,772	24,331	(1,385,692)	-	12,047,111
Fundraising	48,450,307	70,655,988	992,589	-	228,350	(1,069,757)	-	70,807,170
TOTAL EXPENSES	195,491,004	323,264,333	69,029,040	643,772	3,443,147	(62,567,569)	3,851,279	337,664,002
NET ASSETS								
Excess (Deficit)	(44,966,795)	(18,354,415)	-	1,762,200	(160,097)	(1,762,200)	2,729,132	(15,785,380)
Beginning Net Assets	(4,349,235)	85,654,474	-	12,850,000	-	(12,850,000)	-	85,654,474
Other Changes in Net Assets	2,101,120	2,729,132	-	(1,762,200)	-	1,762,200	(3,229,132)	-
ENDING NET ASSETS	\$ (47,214,910)	\$ 70,029,191	\$ -	\$ 12,850,000	\$ (160,097)	\$ (12,850,000)	\$ -	\$ 69,869,094

* Differences relate to contributed services and net unrealized gain (loss) on investments

** Amounts have been rounded for financial statement presentation



American Diabetes Association
Statement of Functional Expenses
Form 990 Detail Listed by State and Certain Markets
for the 18 Months Ended December 31, 2006

	Alabama				Alaska				Arizona			
	Prog. Svcs.	Mgt. & Gen.	Fundraising	Total	Prog. Svcs.	Mgt. & Gen.	Fundraising	Total	Prog. Svcs.	Mgt. & Gen.	Fundraising	Total
Grants and Allocations												
Employee Costs:	\$ 200,093	\$ -	\$ -	\$ 200,093	\$ 147,554	\$ -	\$ -	\$ 147,554	\$ 993,004	\$ -	\$ -	\$ 993,004
Salaries	278,388	12,104	112,969	403,461	303,631	13,201	123,212	440,044	621,191	27,004	252,153	900,348
Pension Plan Contribution	11,952	520	17,322	29,794	22,110	961	8,972	32,043	36,422	1,584	14,780	52,786
Other Employee Costs	36,405	1,583	14,773	52,761	32,511	1,414	13,193	47,118	77,974	3,390	31,642	113,006
Payroll Taxes	23,287	1,012	9,450	33,749	26,785	1,165	10,869	38,819	51,549	2,241	20,918	74,708
Subtotal Employee Costs	350,032	15,219	142,042	507,293	333,037	16,741	156,245	558,024	787,136	34,219	319,493	1,140,848
Professional Fees:												
Accounting Fees	-	-	-	-	-	-	-	-	-	-	-	-
Legal Fees	-	-	-	-	-	-	-	-	-	-	-	-
Other Professional Fees	1,346	-	-	1,346	10,885	-	3,491	14,376	14,044	-	17,472	31,516
Subtotal Professional Fees	1,346	-	-	2,692	10,885	-	3,491	14,376	14,044	-	17,472	31,516
Supplies	31,428	478	9,799	41,705	46,098	533	7,562	54,193	102,965	913	23,903	127,781
Telecommunications	10,879	419	4,203	15,501	12,530	544	5,119	18,213	10,680	461	4,349	15,490
Postage and Shipping	15,168	173	7,958	23,299	21,945	423	8,791	31,159	25,673	341	19,536	45,550
Occupancy	43,300	1,824	17,024	62,148	50,998	1,439	13,431	65,868	220,163	4,593	42,998	267,754
Equipment Rental and Maintenance	12,577	536	5,353	18,466	5,058	220	2,053	7,331	7,173	380	3,807	11,360
Printing and Publications	30,910	134	13,494	44,538	16,750	73	18,219	35,042	58,715	38	87,456	146,209
Travel	15,025	241	6,049	21,315	12,584	431	5,722	18,737	84,467	208	6,865	91,540
Conference and Meetings	3,781	65	2,329	6,175	977	17	603	1,597	328	-	328	656
Data Processing	155	-	155	310	237	9	119	365	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous:												
Interest	175	8	71	254	-	-	-	-	-	-	-	-
Membership Dues	2,087	91	847	3,025	437	15	287	739	1,135	49	461	1,645
Insurance	584	-	416	1,000	724	-	3,216	3,940	463	-	1,077	1,540
Other	2,332	-	1,587	3,919	2,472	72	-	2,544	9,489	145	7,923	17,557
Subtotal Miscellaneous	5,178	99	2,921	8,198	3,653	87	3,503	7,223	11,087	194	9,461	20,742
Total Functional Expenses	\$ 719,872	\$ 19,188	\$ 212,673	\$ 951,733	\$ 714,306	\$ 20,517	\$ 224,859	\$ 959,682	\$ 2,339,891	\$ 41,786	\$ 559,032	\$ 2,940,709

American Diabetes Association
Statement of Functional Expenses
Form 990 Detail Listed by State and Certain Markets
for the 18 Months Ended December 31, 2006

California (continued)

	Sacramento			San Diego			San Francisco			Total
	Prog. Svcs.	Mgt. & Gen.	Fundraising	Prog. Svcs.	Mgt. & Gen.	Fundraising	Prog. Svcs.	Mgt. & Gen.	Fundraising	
Grants and Allocations	\$ 569,258	\$ -	\$ 569,258	\$ 539,214	\$ -	\$ 539,214	\$ 804,937	\$ -	\$ -	\$ 804,937
Employee Costs:										
Salaries	309,321	13,449	488,291	311,196	13,530	451,008	510,740	22,206	207,257	740,203
Pension Plan Contribution	12,665	551	18,356	15,064	655	21,832	30,195	1,313	12,253	43,761
Other Employee Costs	31,889	1,386	46,215	35,041	1,524	50,785	51,338	2,230	21,002	74,570
Payroll Taxes	26,882	1,169	38,960	27,092	1,178	39,264	40,246	1,750	16,332	58,328
Subtotal Employee Costs	380,757	16,555	551,822	388,393	16,887	562,889	632,519	27,699	256,844	916,862
Professional Fees:										
Accounting Fees	-	-	-	-	-	-	-	-	-	-
Legal Fees	-	-	-	-	-	-	-	-	-	-
Other Professional Fees	2,037	-	4,511	9,613	-	19,477	9,824	-	11,342	21,266
Subtotal Professional Fees	2,037	-	4,511	9,613	-	19,477	9,824	-	11,342	21,266
Supplies	15,601	537	28,677	59,538	472	70,710	23,068	524	11,716	35,308
Telecommunications	15,144	657	22,033	7,987	344	3,287	10,132	395	4,267	14,794
Postage and Shipping	15,027	297	27,832	15,794	378	25,992	14,247	188	10,131	24,566
Occupancy	92,900	4,038	134,830	90,017	3,692	128,168	102,191	4,434	41,541	148,166
Equipment Rental and Maintenance	8,594	374	3,487	5,190	213	7,391	6,053	263	2,456	8,772
Printing and Publications	17,092	79	43,495	24,931	51	65,495	31,439	34	56,670	88,143
Travel	9,569	238	19,654	15,325	519	8,041	18,026	375	13,239	31,640
Conference and Meetings	10,747	-16	11,337	17,752	89	21,885	2,041	27	964	3,032
Data Processing	195	-	390	127	-	254	359	-	331	690
Depreciation	-	-	-	-	-	-	-	-	-	-
Miscellaneous:										
Interest	-	-	-	-	-	-	-	-	-	-
Membership Dues	1,500	65	2,174	425	18	616	1,148	34	335	1,517
Insurance	142	-	665	1,095	-	684	125	-	125	250
Other	5,211	1,084	14,259	5,344	69	9,438	9,196	42	4,357	13,595
Subtotal Miscellaneous	6,853	1,149	17,098	6,864	87	11,833	10,469	76	4,817	15,362
Total Functional Expenses	\$ 1,143,774	\$ 23,940	\$ 1,443,392	\$ 1,180,745	\$ 22,732	\$ 1,488,106	\$ 1,665,405	\$ 33,815	\$ 414,318	\$ 2,113,538

