

JDRF 2014 Financials Released: Research Grant Funding the Lowest Level in 10 Years

Last week JDRF released their financial statements for the 2014 fiscal year (July 1, 2013 – June 30, 2014). JDRF's financial statements are important because they show how the money provided by donors is actually utilized. This short report highlights a few key trends, as follows:

- JDRF's total income reached \$225M, the highest level since the years immediately preceding the 2008 financial crisis.
- Fundraising events continue to deliver nearly 2/3 of the income while 1/3 comes from direct donor contributions. These levels are consistent with prior years.
- JDRF continues to de-prioritize research funding. ***JDRF reached its lowest level of research funding in actual dollars since 2005. From 2013 to 2014, JDRF allocated \$8M less to research grants even though donor contributions increased by \$15M.***
- Research grant funding accounts for only 46% of the total spending in 2014, ***declining below 50% for the first time.***
- All other spending categories continue to rise, reaching their ***highest*** levels in the past decade. These spending categories include public education, overhead, and fundraising costs.
- Public Education, which now accounts for nearly a quarter of all spending or \$51M dollars last year, appears to be an area of increasing importance and priority for JDRF (apparently at the expense of actual research grants).

On net, we at the JDCA are dismayed that JDRF leadership continues to shift resources away from research, even as donors are contributing at a higher level. According to the data reported in the official, audited 2014 financial statements, JDRF is spending less on research grants in terms of both real dollars and as a percentage of their portfolio. ***No single priority is more important to donors than to fund cure research, yet we find once again that a smaller and smaller portion of donor contributions are actually being used for research.***

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues:											
Direct Donor Contributions	34.7	43.5	44.9	49.1	56.9	40.6	45.3	48.1	51.4	57.5	66.8
Special Fundraising Events (e.g. walks)	107.8	120.6	128.3	142.4	147.8	120.0	123.6	128.2	123.7	123.7	129.0
Affiliate Contributions	5.8	7.0	8.0	12.2	20.1	18.6	24.7	22.9	20.9	15.8	15.2
Investment Income	10.8	12.0	15.5	25.0	7.2	-35.7	13.5	21.1	-2.9	9.0	14.2
Total Revenue	159.1	183.1	196.7	228.7	232.0	143.5	207.1	220.3	193.1	206.0	225.2
Expenses:											
Type 1 Research Grants	86.3	98.2	122.3	137.8	156.4	100.9	107.5	116.1	110.1	106.0	98.3
Type 2 Research Grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public Education	29.8	33.4	36.8	39.9	36.2	36.1	38.7	39.9	43.3	46.0	51.0
Research Support Expenses	6.7	7.3	8.9	8.8	9.7	9.0	10.4	12.2	13.9	17.4	21.3
SGA+Fundraising	24.6	25.4	28.2	30.1	34.5	31.6	34.4	35.6	37.5	39.5	44.3
Total Expenses	147.4	164.3	196.2	216.6	236.8	177.6	191.0	203.8	204.8	208.9	214.9
Revenue:											
Direct Donor Contributions	22%	24%	23%	21%	25%	28%	22%	22%	27%	28%	30%
Special Fundraising Events (e.g., walks)	68%	66%	65%	62%	64%	84%	60%	58%	64%	60%	57%
Affiliate Contributions	4%	4%	4%	5%	9%	13%	12%	10%	11%	8%	7%
Investment Gain/Loss and Other	7%	7%	8%	11%	3%	-25%	7%	10%	-2%	4%	6%
Total Revenue	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Expenses:											
Type 1 Research Grants	59%	60%	62%	64%	66%	57%	56%	57%	54%	51%	46%
Type 2 Research Grants	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Public Education	20%	20%	19%	18%	15%	20%	20%	20%	21%	22%	24%
Research Support Expenses	5%	4%	5%	4%	4%	5%	5%	6%	7%	8%	10%
SGA+Fundraising	17%	15%	14%	14%	15%	18%	18%	17%	18%	19%	21%
Total Expenses	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%