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Juvenile Diabetes Cure Alliance

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90% of Fundraising Events Use a Cure Message, but Only 18% of Total Funds Go to Cure Research

Conclusions:

- The major diabetes nonprofits used 'Finding a Cure' as the key message in 90% of fundraisers in 2013, similar to 92% usage in 2012.
- However, only 18% of overall funds will be allocated to cure research, and only 2% will be directed to Practical Cure research.
- We believe non-profits have a fiduciary duty to utilize donations for the purpose for which the money was raised. This is especially important when the solicitation message capitalizes on donors' highest priority, which is cure research.

Organizations of Focus:

American Diabetes Association (ADA)

Diabetes Research Institute Foundation (DRIF)

JDRF

Joslin Diabetes Center (Joslin)

TAKE ACTION NOW

Ensure it's for a Cure



✓ Specify for Practical Cure research.
Use our letter at www.thejdca.org/

✓ Call us for an advisory meeting at
212-308-7433

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2013 Update: Event Messaging Continues to Focus on a Cure...But Non-Profits Do Not Allocate Funds Accordingly

This is the JDCA's fourth report in three years to analyze the messaging that the diabetes non-profits use to promote major fundraising events.¹ As with past reports, this report will show that the non-profits overwhelmingly leverage the promise of a cure to raise money at special events like walks, galas, golf, and cycling events. For the third year in a row, we believe the non-profits have failed in their fiduciary responsibility to allocate funds according to the cure message with which the money is raised.

Fundraising Messaging: Sell a Vision for a Cure

The JDCA reviewed over 550 fundraising events that the four non-profits have organized in the United States in 2013, including those that have already been held and those that are slated to be held later in the year. Our data sample represents all major events organized by the four diabetes non-profits plus major third-party-organized events.

We reviewed the messaging used to promote these 550 fundraisers. Cure messaging is used both explicitly and implicitly at these fundraising events, ranging from walks and galas to bike rides and golf outings. Examples of direct messaging include JDRF's "Walk to Cure Diabetes" and "Ride to Cure Diabetes" or the ADA's "Tour de Cure" and "Step Out: Walk to Stop Diabetes." Examples of implicit messaging include the JDRF's Dream Gala and Promise Ball, or Joslin's High Hopes Gala.

90% Of Events Message the 'Cure,' but <20% of Funds Go for Cure Research, and only 2% for a Practical Cure

Similar to 2012's figures, 90% of 2013 events explicitly or implicitly promise a cure message, which capitalizes on the fact that a cure is the main desire and expectation of donors.² The numbers are relatively similar from 2012 to 2013 among the organizations, with Joslin increasing the most (+17%), but off a small base. Notably, the two biggest fundraisers, the JDRF and the ADA, have the highest reliance on cure messaging, at 94% and 87%, respectively. In 2012, the JDRF raised nearly twice as much money as the other three non-profits combined.

Special Event Donations Solicited with a Cure Message

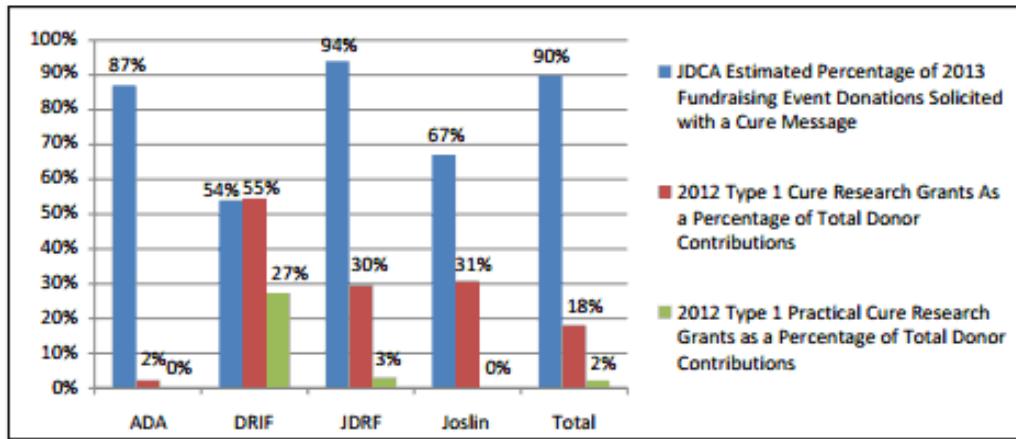
	% of Fundraising Events that Use a Cure Message		Total Fundraising Donations
	2012	2013	
ADA	89%	87%	\$56
DRIF	53%	54%	\$4
JDRF	95%	94%	\$124
Joslin	50%	67%	\$3

Source: Charity and Foundation data; JDCA research.

Next we compared each organization's reliance on cure messaging to their funding of cure research, including Practical Cure research. Our analysis reveals a staggering disconnect between event messaging and funding allocations: while 90% of special events uses the cure message, only 18% of overall donations will be used to fund cure research, and 2% of overall donations will be used to fund Practical Cure research.

Among the two largest organizations, cure research is proportionally the lowest. The JDRF allocates only 3% of total donor contributions to Practical Cure research, while the ADA does not fund any at all. The DRIF is actually the largest funder of Practical Cure Research as a percentage of overall donor contributions (27%), but its \$4 million in donations pales in comparison to the JDRF's \$124 million.

2013 Fundraising Promise vs. 2012 Actual Use



Source: Charity and Foundation data; JDCA research

Non-Profits Have a Responsibility to Align Their Messaging with Their Funding

All four of the charitable organizations claim to want a cure. It's part of their mission and a goal of research they fund. It also very clearly drives their marketing strategy when soliciting contributions. Yet there is a disconnect between message and actual capital allocation.

It is not surprising that the non-profits consistently promise a cure in 90% of fundraising messaging. Indeed, our own recent survey demonstrated that 8 out of 10 donors designate cure research as the "most important" research area when asked how they want their money spent.³ What is surprising is how little of donor contributions are directed to cure research. We expect that the non-profits should use donor contributions in the way that the donors intended, namely that the non-profits should allocate a meaningfully higher percentage of special event proceeds to Practical Cure research than they are currently doing.

The JDCA remains committed to finding a cure by 2025. That is possible, but only if the non-profits' spending matches the messaging that attracted the contributions in the first place: the promise of a cure in our lifetime.

Donors who wish to fund research that targets a Practical Cure for type 1 by 2025 can attach a JDCA stipulation letter to their donation which obligates the charity to use the donation only for Practical Cure research. That letter can be found here: <http://www.thejdca.org/wp-content/uploads/2012/10/Donor-Action-Letter.pdf> .

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Endnotes

1. JDCA reports, "Are Fundraising Event Proceeds Used For the Purpose For Which The Money Was Solicited?," October 25, 2013; "The Disconnect Between the Cure Message Used to Solicit Donations and the Allocation of Those Donations," March 22, 2013; "Donor Messaging," August 1, 2011.
2. JDCA report, "Do Donors Feel That Practical Cure Research Is Important?," January 31, 2013.
3. ibid.

Analyst Certification

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