



The Salvation Army



*unto the
least of these*

National Annual Report 2001

United States of America

“For I was hungry and you gave Me something to eat, I was thirsty and you gave Me something to drink, I was a stranger and you invited Me in, I needed clothes and you clothed Me, I was sick and you looked after Me, I was in prison and you came to visit Me. . . . I tell you the truth, whatever you did for one of the least of these brothers of Mine, you did for Me.”

MATTHEW 25:35-36,40
(NEW INTERNATIONAL VERSION)



S a l u t e t o V o l u n t e e r s

They wear no uniforms and their marching is almost silent. ¶ They might announce their position once a year with the ringing of a bell. Other times, if you're lucky, you might hear music; more likely, the pounding of a hammer, or perhaps the muffled sounds of a bag of groceries being delivered or a heart being lifted, or both at once. Maybe you'll hear a friendly conversation or a gentle prayer with a whispered "Amen." ¶ They are a volunteer militia and they serve mightily. ¶ They are the army behind the Army.



For college student Patricia Lopez, volunteering means helping those in the community, such as leading an art class at a Salvation Army program in Charlottesville, Virginia.

Help for the storms of life

Bob and Rose lost all of their possessions but still had hope, thanks to a few dear friends whom they had just met.

For Major David Dalberg, National Disaster Services Coordinator for The Salvation Army, the scene was familiar, but never routine. He entered the home that had been damaged by severe flooding, but was now on the mend thanks to the efforts of dedicated volunteers.

“All Bob and Rose talked about was the incredible team and what they gave,” Dalberg recalls. “It was much more than the cleaning: They gave new hope.”

Before leaving their home, Dalberg offered to pray with Bob and Rose, which they gladly accepted.

“After I was done praying, I opened my eyes, and here was this man with tears flowing down his cheeks,” Dalberg says. Then Rose told him it was their 35th anniversary. After 35 years, cold flood waters had washed away most of their possessions, yet they were warmed by an outpouring of help and concern by friends and neighbors working together under the shield of The Salvation Army.

Point to any spot on the map and you’ll likely find a story like Bob and Rose’s. It may not be a flood. It may not be a natural disaster of any kind. But for hurting hearts or troubled lives, The Salvation Army will be there—meeting real needs with relevant service—fortified by its secret weapon, the volunteer. Volunteers extend the reach of The Salvation Army far beyond where officer and employees alone could take them. It’s true across the map. It’s true around the world.

“The Army Next”

As last June turned to July, more than 20,000 Salvationists from around the world gathered in Atlanta for the International Millennial Congress, the seventh international congress in 135 years and the first ever held outside of London. At such an assembly, one might expect a uniform sea of people in navy blue and crimson and white, but in fact the congress was a rainbow, refracting a unity of purpose into every conceivable hue of dress, ethnicity, region, culture and style of worship. To see The Salvation Army at this congress was to see a movement permeating all political and economic strata of the world’s societies, diverse beyond conventional wisdom, united beyond conventional understanding.

Under the banner of “The Army Next,” the weeklong congress set a course for entering the new millennium. But whatever “The Army Next” is in a changing world, it will end up at its heart very much like “The Army Previous” or, rather, “The Army Always.” The Salvation Army—next, last and always—exists to serve the Lord by serving men, women and children at their greatest point of need, reaching the soul by meeting the needs of the body.

When William Booth founded The Salvation Army in 1865, he knew that a conventional message of evangelism could get lost in the face of crushing human needs. By offering tangible aid—a meal, clothing, help with life and job skills—the gospel can be given a face and a voice and a chance to be heard. The Salvation Army hasn’t varied this basic approach in more than 130 years.

Near the end of His time on earth, Jesus Christ laid the foundation for The Salvation Army’s philosophy of service.

“For I was hungry and you gave Me something to eat, I was thirsty and you gave Me something to drink, I was a stranger and you invited Me in, I needed clothes and you clothed Me, I was sick and you looked after Me,



RUUD TINCA

For years, volunteers have teamed with Salvation Army officers to help fulfill the Army’s mission of meeting real human needs throughout all segments of society.



Dear Friends

Salvation Army volunteers show compassion and caring to our friends and neighbors across the nation, every day of the year.

Salvation Army volunteers, of all ages, walk in the path of Christ by offering their gift of time to help others. They join forces with Salvation Army officers and members to ring the bell at a kettle during the holidays, help at a disaster site, offer a gentle prayer of comfort, visit the homebound and sick, help at homeless shelters, work with young people, and many other services.

We affectionately call Salvation Army volunteers, “the army behind the Army.” We offer a salute and appreciation to all volunteers during this International Year of Volunteers. God bless you!

Sincerely,



COMMISSIONER
JOHN BUSBY
NATIONAL COMMANDER



Dear Friends

The United Nations has proclaimed 2001 the "International Year of Volunteers," giving focus to the legions of volunteers around the globe. The Salvation Army weighs in with a large and loud "Amen."

The Army is blessed in many ways. Surely one of our greatest blessings is the over 3.3 million men and women who volunteer for Salvation Army service in the United States each year. All of us associated with the Army have witnessed first-hand this unique mix of officers and lay people lending a very real face and helping hand to those in need in a world where all too often problems are reduced to impersonal statistical data.

So, on behalf of the National Advisory Board, let me echo a resounding "Thank You" to the United Nations for recognizing volunteers and to the 3.3 million men and women of the Army responding to "meet human needs in His name without discrimination."

Sincerely,



DONALD FITES
NATIONAL ADVISORY
BOARD CHAIRMAN
CHAIRMAN (RET.),
CATERPILLAR INC.

I was in prison and you came to visit Me. . . . I tell you the truth, whatever you did for one of the least of these brothers of mine, you did for Me" (Matthew 25:35-36, 40).

Willing to serve

As a part of the universal Christian church, The Salvation Army meets human needs alongside other Christians, as well as alongside anyone of good will, willing to serve. Though Salvationists are, in fact, a denomination unto themselves with more than 1.5 million members worldwide, their ability to serve extends far beyond what their numbers could accomplish.

"Volunteers from all walks of life actively support The Salvation Army in almost all of its activities," says Commissioner John Busby, National Commander of The Salvation Army. "Their time and strong commitment are essential to the success of the organization."

As a force in society, volunteering has received a lot of attention lately. The United Nations declared 2001 as the "International Year of the Volunteer."

"Volunteering is a vital ingredient in the peaceful and harmonious development of people and nations," says Sharon Capeling-Alakija, executive coordinator of the U.N. volunteer initiative. "[The Army's] outreach in over 100 countries makes it a significant partner in ensuring that volunteers all over the world are recognized for their individual and collective acts of selflessness."

Of course, at The Salvation Army, every year is the year of the volunteer. And that begins right at the top, since the movement operates under the guidance of a dynamic group of business, philanthropic and community leaders. As chairman of the National Advisory Board, Donald V. Fites might be called the Army's volunteer-in-chief. As such, he offers a unique view of the importance of renewed volunteer effort to a large organization such as The Salvation Army. In other words, nothing succeeds like succession.

"One of the key responsibilities we have as members of The Salvation Army's various advisory boards is to be constantly identifying, recruiting and grooming our successors," Chairman Fites says. "The Army has wisely set limits on the consecutive number of years we can serve as board members. This not only assures that 'new blood' will be brought in but also offers a great opportunity to attract people who can increasingly project the Army into society's mainstream. Our job as volunteers is left incomplete unless we leave the advisory boards stronger than when we joined. The true mark of successful board stewardship is what happens after we leave."

A better world

In fact, Salvation Army volunteers are trying to leave a better world behind as well. In just this past year, volunteers joined forces with Salvation Army officers, employees and members to:

- ▶ Provide comfort and counseling to 4,664,567 individuals in times of sickness and need through visits to institutions and private homes;
- ▶ Help provide emergency relief to 1,862,933 disaster victims;
- ▶ Make the holidays brighter for 5,652,785 men, women and children;

- ▶ Send 185,789 boys, girls and adults to summer camp;
- ▶ Offer job referrals to 37,213 men and women;
- ▶ Visit 411,117 prisoners;
- ▶ Locate 75,796 missing persons.

And those are just the numbers. Richer still are the individual stories of people giving of themselves to help others.

In Minneapolis, Minnesota, Helen Ortiz is already at work at 6 a.m. cooking breakfast for the homeless as part of a Salvation Army nutrition program.

In Charlottesville, Virginia, student Patricia Lopez coordinates more than 100 college students donating their time to help the less fortunate through The Salvation Army.

In Bakersfield, California, 11-year-old Sarah Morris has been visiting convalescent hospitals since she was 4, playing games with residents, taking meal requests, walking with them and helping to meet other needs of the seniors.

In Keene, New Hampshire, 90-year-old Elsie Neal visits nursing homes and shut-ins, often bringing along crafts and gifts for residents and helping them make crafts for other members of the community.

Volunteers in action

These are just four versions of a story that could be told 3.3 million different ways through the lives of people who volunteer for The Salvation Army. They donate their hours and their days, their time and their effort, their dollars and their sense, to help those around them, come rain or shine.

Of course, as strong as the instinct to help others might be when the sky is blue, storm clouds often bring out the most, and the best, in our desire to help one another.

"Natural disasters touch the hearts of people in dramatic terms," says Major Dalberg. "People feel that they want to do something, they need to do something. They want to give of themselves very personally."

"It's the volunteers on the front line who ultimately make the real difference of helping people find hope through their recovery efforts."

Dalberg estimates that without volunteer efforts, the disaster services division could not accomplish half of what it does today. "If anything, that is conservative," he says.

In fact, Dalberg views the corps officers—who drop everything to help in a disaster—as volunteers as well.

"Virtually everyone involved in disaster services is a volunteer in one way or another," he says. "Officers have very heavy schedules, but they still set everything else aside and give of themselves when disaster strikes."

Indeed, it bears remembering that even though The Salvation Army is an army, it's an army without a draft board. Ultimately, whether or not in uniform, all involved in The Salvation Army are volunteers. They give of themselves for a higher cause, doing good work for a great reason, not to earn God's approval but simply to honor Him by serving His creation—even "the least of these"—regardless of creed, regardless of condition, regardless of cost. ■



Top: Sara Morris, 11, of Bakersfield, California, spends time with friends at nursing homes twice a week. She has been visiting convalescent homes since she was 4 years old.

Middle: Music continues to provide the harmony for The Salvation Army's commitment to serve.

Bottom: Elsie Neal of Keene, New Hampshire, is a frequent visitor to nursing homes and shut-ins.



CENTRAL TERRITORY

> CENTERS OF OPERATION: 2,326

> VOLUNTEERS: 926,486

> PEOPLE SERVED: 7,352,903

part of the community

The Foster Grandparent Program allows Velma Musil to make a contribution that spans generations.



We'll call her "Patricia." She came to the senior resident center while in her mid-70s, in the autumn of a long life. At first, Patricia struggled. She didn't really take care of herself, prisoner of a self-imposed exile from those around her. Then The Salvation Army made her a grandmother.

"She is so active now, it's like she's a totally different person," says D.D. Lauderville, director of senior services at the Army's Lied Renaissance Center in Omaha, Nebraska. "Her connection with the children has just been amazing."

Opened in 1990, The Lied Renaissance Center is the largest social services campus operated by The Salvation Army in the nation, combining more than 20 programs in one facility, according to Linda Burkle, divisional social services director.

Such services could only work with the extensive help of volunteers, performing such duties as stocking the food pantry, staffing phone lines, doing visitations and mentoring young people. "To be honest with you," Burkle says, "I don't know if we could function at the level that we do without volunteers. They are integral to the services we provide."

One of the most exciting kinds of volunteering, she says, occurs when senior clients become volunteers themselves.

Residents of the Army's Durhan Booth center—a 48-unit independent-living facility at the Lied Center for low-income seniors—are invited to get involved through the Foster Grandparent Program.

"I just can't say enough about the program," Lauderville says. "It gives them something to wake up for in the morning."

Founded by Nancy Reagan when she was First Lady of California, this program forges links between generations and provides an extra measure of attention to at-risk children enrolled in day-care programs.

When senior adults join the Foster Grandparent program, they spend time in the day-care center—up to 20 hours per week in some cases—enjoying their "adopted" grandchildren.

"When they show up, the kids say 'grandma!' and run up and grab their legs," Lauderville says. "You just cannot buy that."

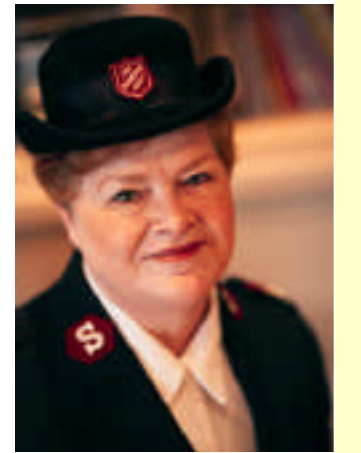
"They are giving unconditional love and receiving unconditional love in return."

"The grandparents can just hug, rock, love," Lauderville says. "They give them the one-to-one attention that those kids desperately need."

Every senior program at the Lied Center is aimed to foster a sense of community among people in their senior years.

"Many of our residents have had their own homes for 50 or 60 years," Lauderville says. "Now they're in one bedroom. When they get here, we do everything in our power to make them feel welcome. This is their home now. They are among friends."

Making them feel at home and welcome "is a mission for me," she says. "I think that's the way it is for all of our staff. They are all personally invested. It's an outgrowth of their faith. We couldn't do it without our faith and belief. It would be way too hard." ■



For Army officers Major Esther James (top) and retired Major Phyllis Vanosdall (pictured with retired Major Marguerite Barnes), working with the seniors at the Army's Lied Center is a mission more than a job.



CHARLES SEDERSTROM | OMAHA | PRESIDENT OF ERICKSON AND SEDERSTROM, PC

An active volunteer throughout Omaha, Charles Sederstrom was recently given The Salvation Army's "Others" Award, the prestigious recognition for people devoting their lives to working for others. According to Sederstrom, it's the joy of volunteering that keeps him going. "Salvationists are happy people who do wonderful work for the community. It's difficult not to be motivated when you're around the uniformed officers and staff," Sederstrom explains. Sederstrom is a member of The Salvation Army National Advisory Board.

01

a ray of hope

The Brownsville section of Brooklyn, New York, can look like the kind of place opportunity has never bothered to visit. Unemployment, public assistance rates, crime—statistics nobody wants—remain stubbornly high as people seek retreat in alcohol, drugs and gangs. But where opportunity can't easily be found, it must be made locally.

As corps officers, Captains David and Margaret Davis get to tend to the spiritual growth of their flock. And as leaders in a troubled community, they get involved in very practical ways.

"I'm happy that we are doing something in this community," Captain David says, "because the need is so great. Every day there are new cases of people in need."

The Brownsville corps' extensive social service outreach deals directly with tangible needs in the community: food, clothing, furniture, rent assistance and more. But beyond the daily meeting of daily needs, the corps follows The Salvation Army's traditional emphasis on giving people the tools to help themselves.

Through two day-care programs, Captain Margaret works with the 50 to 60 day-care providers who watch over more than 400 children, providing a safe, nurturing environment while parents work outside the home.

In partnership with a nearby public school, the corps provides an after-school program to give students needed academic support, as well as dance and drama opportunities, computer classes and "Feed Your Mind" segments designed to heighten students' awareness of current issues.

To make the most of available facilities, much of the after-school program takes place on school grounds—often using teachers from the school working after hours—supervised by Salvation Army personnel.

For older students, the Urban Youth Leadership Program connects high-school students with a network of volunteer mentors that help them hone skills ranging from public speaking to conflict resolution to writing a good résumé. Once a week, the group meets in workshops to help prepare the students for college and the workforce.

Over the years, Brownsville has had many gifted young athletes. But too often, Captain David says, "many of them have gone off the deep end and joined gangs or gotten involved in drugs."

Through a special outreach to young athletes, Captain David hopes to get involved in their lives, instilling a sense of discipline with special emphasis on academics. Since starting the program, several participants have gone on to college.

Despite working extensively on social needs, the Davises remain—at their heart—pastors.

"Meeting spiritual needs is the ultimate joy and goal," Captain David says. "But you do that in practical ways. I don't think you could have one without the other. It's a total package."

"A person isn't going to listen to the spiritual side of the conversation if they are going to be hungry. We try to meet those needs and at the same time provide a ray of hope in letting them know about Jesus." ■



Captains David and Margaret Davis take the mission of the Brownsville Corps into the community, including a partnership with a local public school.

Sue Ann Jarrett enjoys a little tutoring from Captain David Davis during the after-school day-care program.

**EASTERN TERRITORY**

- > CENTERS OF OPERATION: 2,760
- > VOLUNTEERS: 572,664
- > PEOPLE SERVED: 9,535,482

ROBERT BYERS | PHILADELPHIA | CEO, BYERS' CHOICE, LTD.

Robert Byers' involvement with The Salvation Army goes far beyond the nationally known Byers' Choice, Ltd., figurine line he founded with his wife, Joyce. Active in both the local and national advisory boards, Byers is widely honored for his charitable work. Recently, he was given the National Caring Award by The Caring Institute. Byers is a member of The Salvation Army National Advisory Board.





SOUTHERN TERRITORY

> CENTERS OF OPERATION: 2,305

> VOLUNTEERS: 1,224,980

> PEOPLE SERVED: 13,640,000

turning lives around

Probation counselors such as Sylvia Sczeknik provide supervision to more than 6,000 clients per month.



A man in Pinellas County, Florida, had a drinking problem. Actually, *everyone* in Pinellas County had this man's drinking problem, since he would often drive while under the influence.

"He had trouble getting from his office to home without ending up in a bar," recalls The Salvation Army's Fred Hipp. "So one of our counselors would meet him at his job and take him home."

With 50,000 clients per year in Florida, the Army's misdemeanor probation program in Pinellas County can rarely afford that kind of personal attention. But personal attention is what The Salvation Army is all about.

In the 1970's Florida's legislature removed misdemeanor probation from the department of corrections, leaving local judges to find a solution. Soon, The Salvation Army was invited to develop a program. By 1978, The Salvation Army Act—that's the actual name of the law—was passed to allow the Army to offer probation services to all the counties in the state.

Today, 40 counselors in Pinellas County provide supervision for more than 6,000 clients per month, whose offenses range from traffic problems to domestic violence, according to Hipp, director of Correctional Services.

For the offender, compliance involves scheduled contact with the counselors, frequently extensive community service work and, in some cases, electronic monitoring. For those under "electronic house arrest," counselors must check the equipment during each visit. In all cases, the offenders must pay the costs related to their visit.

A network of volunteers offers such things as mentoring and money-management counseling, allowing staff members to intervene with offenders early, before they reach the level of felony offenses, Hipp says. "We can get them redirected, help them get their lives turned around."

For counselors, burnout risk is genuine, especially with certain cases. Hipp acknowledges that certain cases can be "intense" for the counselor. "We don't leave a person in the domestic violence caseload for long." In one case, though, a woman—herself a victim of domestic violence—insisted on taking those cases. "She feels that's where she can provide the most help."

Fortunately, the program really does give people a new start. "It is not unusual," adds Jan McMahon, assistant director of corrections, "for clients after they finish to come back just to say hello." More than once, she says, counselors have been invited to a former client's wedding.

"They let us know that we made a difference in their lives," Hipp says. "This happens quite frequently."

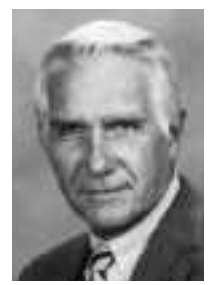
McMahon keeps a letter in her files—one of many from former clients—praising the counselor for his role in helping turn the offender's life around.

"Since coming face-to-face with this," the letter says, "I began implementing severe restrictions on my use of alcohol, to the point of abstaining altogether over the past half year. I sincerely thank you for the quality of the help and feel confident I have gained a friend through it all."

For the counselors, the payoff is simple, Hipp says. "Our job is to see that they go out of the system better than when they came in." ■



Using tools such as electronic ankle bracelets, the Pinellas County probation program makes sure clients meet their obligations, including such commitments as litter removal.



FRANKLIN SKINNER | ATLANTA | CEO (RETIRED), BELL SOUTH COMMUNICATIONS

One Salvation Army officer calls Frank Skinner "one of the five strongest Christian gentlemen I've ever met in my life. And I'm not sure who the other four are." Past chairman of the National Advisory Board and the Board of Visitors for The Salvation Army College for Officer Training in Atlanta, Mr. Skinner brings a passionate commitment to mentoring. He is a life member of The Salvation Army National Advisory Board.

01

an urban oasis

For a few terrifying days, it seemed as though the very fabric of society might be lost in the ashes of fire and looting that swept through Los Angeles following the “Rodney King” verdict in 1992. Order was restored within three days, yet the events of that week would cast a shadow forward for many years.

A few months after the riot, a PBS crew did a 30-minute documentary on The Salvation Army Red Shield Youth Center as one of the programs in the city doing good work in troubling times. Over the years that followed, that documentary would air many times, always casting a welcome light on the youth center and its mission within downtown Los Angeles.

First built in 1950 as the Red Shield Boys Club, the youth center has grown as a presence in the Pico-Union district of Los Angeles for more than 50 years. In 1997, a contributor was so moved by the PBS segment that he gave the money for a major expansion of the center to include a library, a dance studio and a new computer lab. On April 5th, the new facility was dedicated.

Just as the facility has grown, the youth center has expanded its place in the community as well, according to Irene De Anza Lewis, executive director. “This community is very tightly woven,” she says. “Everybody knows each other.”

And the staff at the center is tightly woven into the community, because about 70 percent of the staff live in the area.

“We’ve created a safe zone for kids in this city block,” Irene says. “We don’t even have graffiti on our building because all the gangs respect the Red Shield. They honor it.”

In addition to providing a wide variety of recreational activities and skills-development opportunities, the center offers a specialized program to provide educational opportunities for inner-city children. To accommodate an increasing student population in the already overcrowded city schools, the school system went to a yearlong schedule, with different “tracks” rotating through a “months on, weeks off” schedule. The Salvation Army’s “On Track” program, developed in partnership with the Los Angeles Unified School District and the Los Angeles Police Department, gives students educational opportunities during their weeks off from school.

“Before the ‘On Track’ program, when they went back to school, it was like starting over from square one,” Irene says. But now, students can benefit from the program by continuing to learn during their time off. “Our goal is to empower kids academically and help them meet the technology of the future.”

For Irene De Anza Lewis, the connection to The Salvation Army runs deep. A member of The Salvation Army herself, Irene has been active since first attending corps activities as an 8-year-old daughter of a farm worker in Salinas, California. For her, every day at the Red Shield Youth Center is much more than just another day at work.

“This is not just a job,” Irene says. “This is what God has called me to do. It’s a ministry.” ■

Chrystine Montes plays pool at the youth center, which gives kids a place to have fun away from the streets.



WESTERN TERRITORY

- > CENTERS OF OPERATION: 1,830
- > VOLUNTEERS: 614,501
- > PEOPLE SERVED: 6,208,728



Under the guidance of Army leaders like Irene De Anza Lewis (top), The Red Shield Youth Center provides a safe, caring environment for children in inner-city Los Angeles.

MARLENE KLOTZ COLLINS | PHOENIX | DIRECTOR OF COMMUNITY RELATIONS, KTVK 3-TV AND KASW WB61

Some have called her the outstanding Salvation Army volunteer in the country. She has been instrumental in getting national corporations and their employees to volunteer at Salvation Army service centers while visiting Phoenix during conventions and conferences. She also designed the concept for The Salvation Army’s Christmas Angel program, providing thousands of gifts to children in Phoenix. Ms. Collins is a member of The Salvation Army National Advisory Board.



Financial Summary

of Combined Corporations in the USA for the Year Ended September 30, 2000

For the eighth year, The Salvation Army is the No. 1 choice of donors in America. The decision of donors to provide needed financial resources enables continued support to hurting members in their communities. Your continued financial assistance is needed and appreciated, but more importantly, every boy and girl, every homeless family and every single person needing spiritual support thanks you for your concern and financial gift. Through countless acts of service, members of The Salvation Army actively assist those who suffer in body and spirit. We are pleased to provide this summary report of financial stewardship as well as sources for more detailed financial information.

This summary represents a combining of data extracted from the Audited Financial Statements of six corporations. Four of these—the Western Territory, the Southern Territory, the Eastern Territory and the Central Territory—supervise 9,222 units of operation throughout the United States including Puerto Rico, Guam and the Marshall Islands. The two remaining corporations are the National Corporation and the World Services Office. Inter-corporation transactions have been eliminated for presentation purposes. The information shown is for the 2000 fiscal year.

The Salvation Army has successfully rendered service in America since 1880 by maintaining conservative financial policies, enabling it to meet human needs over the long term. Operating support represents funding provided by outside sources for the ongoing operations of The Salvation Army. Revenues are classified as operating or non-operating based on donor restrictions and/or designations by the corporate Boards of Trustees.

During 2000, non-operating revenues comprised \$235 million of unrestricted legacies and bequests and investment income of \$347 million; these funds were designated by the Boards for replacement and maintenance of facilities and equipment. Other categories of non-operating revenue include \$108 million of public gifts restricted permanently by the donors, \$248 million of temporarily restricted support and \$81 million from miscellaneous sources.

During 2000, the Army spent \$2.12 billion in serving people, up from \$1.95 billion the prior year. Eighty-four cents of every dollar, or \$1.78 billion, went toward program services, with the remainder accounted for by management and general expenses of \$251 million and fund-raising costs of \$90 million. Approximately 85 percent of these expenditures were funded by public and other operating support received during the year, with the remaining funding provided by the release of net assets that were previously donor-restricted or Board-designated for long-term projects.

Total public support—both operating and non-operating—was \$1.44 billion, up from \$1.40 billion in 1999. It comprised \$791 million of general contributions, \$273 million of legacies and bequests, \$275 million of gifts-in-kind, and \$101 million of allocations from local United Way and similar funding organizations.

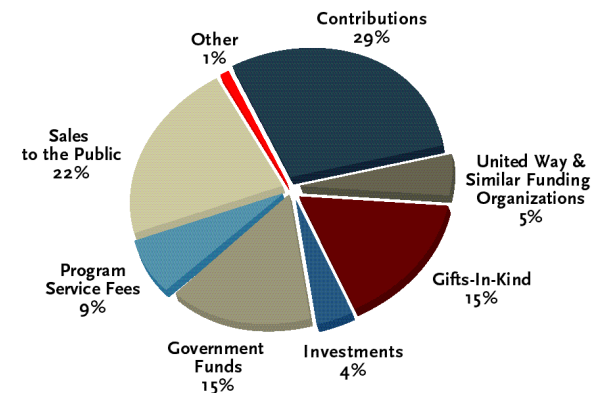
About 77 percent of the Army's net assets consists of land, buildings and equipment (\$2.36 billion), and invested Board-designated reserves for future capital expenditures, ongoing facilities maintenance and specific programs (\$2.75 billion). The remainder primarily comprises investments of donors' temporarily restricted gifts and permanently restricted endowments.

The Salvation Army continues its compassionate tradition in meeting needs in your community. We pledge to maintain the highest standards of financial accountability to continue to deserve your trust. Each corporation is audited by independent certified public accountants in accordance with generally accepted accounting principles. These audited financial statements, along with the opinions of independent certified public accountants, are available at the addresses provided in this report.

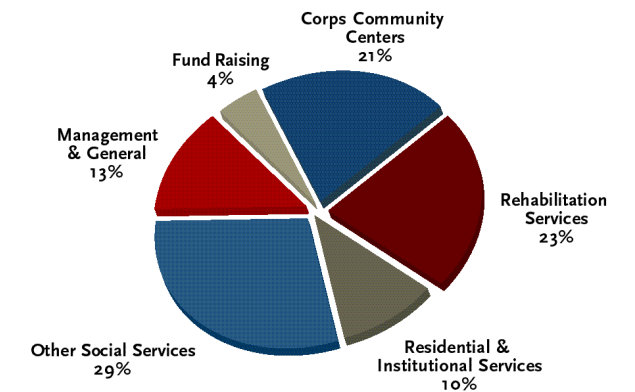
Thank you for your continued support of The Salvation Army, which allows us to make a real difference in your community.

FINANCIAL HIGHLIGHTS, FISCAL YEAR ENDED SEPTEMBER 30, 2000

OPERATING INCOME \$1,803 MILLION



OPERATING EXPENSES \$2,125 MILLION



STATISTICAL HIGHLIGHTS, FISCAL YEAR ENDED SEPTEMBER 30, 2000

CENTERS OF OPERATION

Corps	.1,372
Outposts and Service Centers	.144
Rehabilitation Centers	.160
Thrift Stores	.1,629
Community Centers, Boys/Girls Clubs	.316
Day-Care Centers	.231
Senior Citizen Centers	.318
Group Homes/Temporary Housing	.572
Permanent Residences	.67
Medical Facilities	.63
Service Units	.3,795
Camps	.52
Other	.503
Total Centers of Operations	.9,222

PERSONNEL

Officers	.5,373
Cadets	.304
Senior Soldiers	.87,378
Junior Soldiers	.34,989
Members	.476,887
Employees	.45,096
Volunteers	.3,338,631
Advisory Organization Members	.72,055

GROUP MEETING ATTENDANCE

Outdoor Meetings	.302,893
Sunday School	.2,742,347
Sunday Meetings	.6,390,196
Weekday Public Meetings	.2,204,594

Soldier Development	.635,040
Group Activities	.13,229,968
Music Organizations	.941,172
Other	.7,234,739
Total Group Meeting Attendance	.33,680,949

PEOPLE SERVED

Basic Social Services	.20,070,389
Holiday Assistance	.5,652,785
Summer & Day Camps	.185,789
Disaster Assistance	.1,862,933
Persons Visited in Institutions	.4,664,567
Job Referrals	.37,213
Correctional Services	.411,117
Community Center Participants	.1,519,042
Persons Served in Salvation Army Institutions	.1,377,007
Substance Abuse Rehabilitation	.213,178
Medical Care	.146,729
Transportation Provided	.520,568
Missing Persons	.75,796
Total Persons Assisted	.36,737,113

SERVICES

Meals Served	.51,489,241
Lodgings Supplied	.9,766,334
Welfare Orders—Cash Grants	.5,621,794
Tangible Items Distributed—Clothes, Furniture, Gifts	.13,455,692
Attendance at Community Center Activities	.31,316,104



The Salvation Army

The Salvation Army in the United States is divided into

four territories. The national commander and the national

chief secretary serve in coordinating capacities. Each terri-

torial commander operates under the general policies laid

down by International Headquarters in London, England.

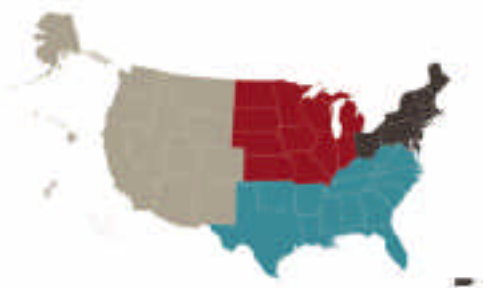
National policy is established by the Commissioners'

Conference, over which the national commander presides.

Thus, while the local leadership adjusts to meet conditions

in each community, all officers are subject to the same

broad, overall policies.



The four territories of The Salvation Army in the United States

NATIONAL HEADQUARTERS

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National Commander
Colonel Thomas C. Lewis
National Chief Secretary
615 Slaters Lane, P.O. Box 269
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EASTERN TERRITORY

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www.salvationarmy.usawest.org

The Salvation Army's U.S. service began in 1880 and was first incorporated on May 12, 1899, in the

State of New York. It is a tax-exempt 501(c)(3) organization. Contributions to it are deductible for

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T h e S a l v a t i o n A r m y

Mission Statement

THE SALVATION ARMY, AN INTERNATIONAL MOVEMENT,
IS AN EVANGELICAL PART OF THE UNIVERSAL CHRISTIAN CHURCH.

ITS MESSAGE IS BASED ON THE BIBLE.

ITS MINISTRY IS MOTIVATED BY THE LOVE OF GOD.

ITS MISSION IS TO PREACH THE GOSPEL OF JESUS CHRIST

AND TO MEET HUMAN NEEDS

IN HIS NAME WITHOUT DISCRIMINATION.

THE SALVATION ARMY

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