

2003

Behind the Shield

National Annual Report



THE SALVATION ARMY OF THE UNITED STATES OF AMERICA



2003

For 138 years around the world,



Photo by Russ Tinga



The Salvation Army has provided protection, rescue, and redemption under the unifying symbol of a **shield.**

Behind the shield in almost every community in this nation, through acts of service and compassion, broken lives are mended. The discouraged are given hope. For the lonely, comfort. For the young, a path to follow and a chance to shine.

Behind the shield, there are no discarded lives; there are only discarded pasts. In a thousand ways as varied as the landscape of America, Salvation Army officers and volunteers serve God by serving man and investing their lives in the souls of their community.

Behind the shield, there is comfort to be given. There is hope to be offered. There is a Savior to be proclaimed.

Woven into the community



Salvation Army soldier Tanish Bolton works and worships at the St. Paul Citadel in St. Paul, Minnesota.

A car ride through east San Diego with former Mayor Maureen O'Connor convinced philanthropist Joan Kroc to give. The kids in this community needed a place to discover the potential within, she decided — just as she had discovered so many years earlier when she had won an ice-skating competition as a child. Mrs. Kroc does not accept proposals for philanthropic giving; she does her own research and chooses for herself those she should trust with her financial gifts.

She trusted The Salvation Army.

After months of research to develop a plan for the community center, the day came to present three proposals, representing three different levels of investment.

"I love it," Mrs. Kroc said, upon seeing the plans.

"Which one?" she was asked.

"All of them."

In the largest single gift ever given to the organization, Mrs. Kroc donated \$87 million to build The Salvation Army Ray and Joan Kroc Corps Community Center in east San Diego. Five years in development, the center offers two basketball courts, three swimming pools, an NHL-regulation ice rink, a fitness center, a library and educational center, a 600-seat performing arts center, a 100-yard athletic field, an indoor skate board park, a rock-climbing challenge wall, and, of course, a corps church. (For more information on the Kroc Center, please see page 14.)

"This whole gift presented a unique challenge for The Salvation Army," says Major Tim Foley, who

along with his wife, Major Cindy Foley, administers the sprawling 12.5-acre campus.

"I believe that this is a blueprint for post-modern ministry The Salvation Army has to consider, not only in this community but throughout the world," he adds. By offering world-class recreation facilities to a diverse, underserved audience, The Salvation Army is introduced in whole new ways throughout San Diego.

Recreation programs are nothing new to The Salvation Army, but the Kroc Center — which has 1,150 daily visitors, a \$5.2-million operating budget and uses the same software system as major sporting arenas — operates at an unprecedented scale, resulting in what the Foleys call "a goldmine of ministry opportunity."

Thinking new

Such an approach to ministry required new thinking. But thinking new is nothing new to The Salvation Army.

The Kroc Center is the latest thread in a tapestry reaching back to the founding days in the streets of London. More than a century ago, General William Booth knew that to be effective, the Christian gospel must be presented as a package wrapped in compassion, meeting tangible needs first. "Soup, soap, and salvation," he called it.

From worship to music to youth activities to basic acts of human service, corps community centers are the compassionate hand of The Salvation Army around the nation, yielding expres-

The Salvation Army Ray and Joan Kroc Center in San Diego attracts thousands of people (including Marco Antonio, right) to the state-of-the-art fitness and health facilities, creating what Major Tim Foley calls "a gold mine of ministry opportunity."





Photo by David Childs

Salvation Army disaster-services personnel made it to the scene of devastation as a set of 70 tornadoes cut through the southwestern United States.

sions of service as varied as the communities where they serve. Some reflect new, creative outreach, shaping their ministry around the contours of the community; others simply continue in the Army's never-ending commitment to weave the gospel into the fabric of society through connecting acts of service both great and small.

Reflecting the community

"We believe the corps should reflect the community it serves," says Captain Deon Oliver of the Iowa City Corps, which, since 1992, has worked its way into the young and affluent community by offering services such as budget counseling and homework tutoring. "Our congregation reflects the town's diversity and high-level education. Our vision is to see the sanctuary filled each Sunday with a wide cross section of the community. Everyone needs to know the grace of God."

In Springfield, Ohio, that message of grace is making its way right into the public schools, through an innovative program called the Sunshine Club.

Since it is an elective, after-school activity staffed by volunteers (and thus protected by law), the Sunshine Club is now serving more than 1,000 children in all of Springfield's 13 elementary schools. "The priority of Sunshine Club has always been to bring 'the church' to the children — in this case into the schools where they are," says Major James Gingrich, who brought the idea to Springfield.

The Sunshine Club is one of six program designs, collectively called 'SONday 'SCOOL,' offered through HopeShare, a major initiative founded in the eastern United States by The Salvation Army. Designed as a refreshing 21st-century approach to reach a generation of children throughout the week — Sunday school without the Sunday — HopeShare is already reaching thousands of children in more than 100 locations.

In the Chicago area, the gospel is gaining a foothold through what the rest of the world calls "football": soccer. By organizing teams consisting of players from several area corps, players invite unreached friends to participate in Christ and Sports tournaments. Through the tournaments, corps members are finding new opportunities to share their faith.



Dear Friends,

It is a pleasure to share with you this year's annual report, giving you a better idea of The Salvation Army and its programs across this great nation.

Behind that red shield, broken lives are mended, lonely lives are bonded in fellowship, and the blessing of the Spirit of God comes into lives every day.

The Salvation Army's work behind the familiar red shield takes place 365 days a year, because "need knows no season."

We reaffirm the Army's mission statement: "to preach the gospel of Jesus Christ and to meet human needs in His name without discrimination." This is accomplished daily through the dedicated lives of officers and employees, soldiers and volunteers, who seek to serve in Jesus' name.

Enjoy this report! May God bless you.



W. TODD BASSETT, COMMISSIONER
National Commander



Dear Friends,

“Behind the shield” is the theme of this year’s annual report. Each year, more than 36 million lives are shielded from enduring the full impact of life’s hardships and mishaps.

From the warmth of coffee and concern at disaster sites to the comfort of senior citizen, youth, homeless, and community centers, to life-changing drug and alcohol rehabilitation, and beyond to an astonishingly wide array of good works limited only by clear and present needs, the Army is a shield.

To accomplish so much with so little requires an Army of volunteers. And as needs increase so does the Army’s ranks and responsiveness. In the past few years, for example, requests for assistance have risen sharply, and the number of Army volunteers has more than doubled to meet this onslaught of human needs.

This year the Army has done much to enhance the strength of our shield by increasing communications, sharing best practices, and getting to know and connect with our 4.6 million volunteers for a closer-knit, more effective organization.

Every day of the year, lives are changing behind the shield thanks to dedicated Salvation Army officers and the legions of volunteers. For The Salvation Army is here to care.

Sincerely,

EDSEL B. FORD II
National Advisory Board Chairman
Board Director, Ford Motor Company



Through “The Sunshine Club,” an elective after-school activity, Salvation Army volunteers help reinforce Christian values in Springfield, Ohio, public schools.



“Ministry in this day and age and into the future is all about touch points,” Major Tim Foley says. “It’s about finding ways into the community so that you can have the opportunity to dialog, the opportunity for people to access you.”

At Detroit’s Denby Center for Children, a home-visitation program engages teen mothers with the three-fold goal of reducing infant mortality, preventing abuse and neglect, and avoiding unwanted second pregnancies. Results report the program’s success:

- > 100% of children in the program reached their first birthday.
- > 95% of mothers did not report a second unplanned pregnancy.
- > 75% of mothers are employed or attending school.
- > 75% of mothers and their children are in stable housing.
- > 95% of mothers have avoided any reported cases of neglect or abuse.

In Modesto, California, corps officer Captain Angela Strickland ministered at a time of motherhood lost. For three days and nights, she visited at the hospital with a young woman who had lost her child in the fifth month of pregnancy. Captain Strickland was able to perform a brief dedication service before the baby was taken away.

One of the enduring strengths of The Salvation Army has always been seamless integration of the eternal and the temporal in ministry. And, indeed, that integration is lived out on a daily basis in the Army.

Of course, innovation in integration is not limited to new frontiers of ministry. At times, thinking differently about traditional opportunities can mean tremendous strides.

In Cambridge, Massachusetts, a program called Umoja — the Swahili word for “unity” — is a recovery and transition program for homeless men, replacing substance addiction with a corporate life of mutual support, accountability, discipleship,

and encouragement. “When one hurts, they all hurt,” explains Major Steve Carroll. “When one celebrates they all celebrate.”

During the Christmas season, every Christian ministry reaches out. But the Army extends its compassionate reach still further by partnering in ministry. Through a network that extends to 13 collaborating agencies and 25 corporate partners, the Army’s annual Christmas assistance program helped some 47,000 people in Richmond, Virginia, and surrounding communities. In early December, incoming national leaders Commissioners W. Todd and Carol Bassett toured the program’s massive warehouse operation, including more than 4,000 donated bicycles stored in a single room.

Help in times of trouble

More than at perhaps any other time, sudden disasters awaken the soul and expose human need on very fundamental levels: food, water, shelter, support. Time and again, The Salvation Army extended a compassionate hand to those in real and sudden need, and didn’t try to do it alone. Again, nothing new for the Army.

Many, many months after the terrorist attacks of September 11, 2001, relief efforts continued at the sites and in the lives of those touched deeply by tragedy. Throughout the effort, more than 7,000 officers and 32,000 volunteers served more than 3 million meals at the disaster sites.

When the nation’s attention fell to a mine disaster at Somerset, Pennsylvania, officers again arrived on the scene, providing comfort for families of the trapped miners and praying for their safe deliverance, which came after three days underground.

Army feeding units were pressed again into service in another national disaster following space shuttle Columbia’s tragic loss in the skies over the Southwest.

Experiences working together at Ground Zero and elsewhere have inspired The Salvation Army to forge an innovative agreement to work together with disaster services teams from the Southern

Baptist Convention.

“It seems to be a natural,” says Jeff Jellefs, disaster coordinator for the Army’s Southern Territory. “It’s two faith-based organizations with a common mission working together. Both have the same motivation. And it opens the door for other groups to form similar partnerships.”

Since natural disaster response is primarily a local phenomenon, The Salvation Army was kept busy across the map, from fire relief in Arizona and Colorado to flooding in Texas and the Virginias, to tornado responses in Louisiana, Tennessee, Indiana, and Maryland. In each case, officers provided first for the immediate physical needs, but beyond that, ministry for the aching heart and the weary soul.

Such is the traditional and continuing mission of The Salvation Army — heart to God, hand to man; personal holiness expressed through the servant life. The mission never changes, but the articulation changes as often as the needs of the community, guided by a few simple principles: reach your neighbors by serving them; serve people by reaching them in their world, engaging at their point of need, entering through the doors they open. One life might be shattered by disaster. Another, quenched by addiction. Some may be dulled by the cost of hard years. Others, simply lonely. Some may be drawn in by music, by the arts, by sports, by the chance to simply gather together in fellowship. In each, for The Salvation Army, lies a “goldmine for ministry opportunity.”

If General William Booth were to return to The Salvation Army of the 21st century — perhaps to a place like the Kroc Center in San Diego — how might he react?

Major Tim Foley ponders the question for only a moment.

“He would probably look around and say, ‘That and better will do, Major.’”

In addition to providing social services, each corps communities center is also a functioning church. Below, Crystal Clous prays during a corps service in St. Paul, Minnesota.



Volunteer Jennifer Kissinger sorts through gift bags in The Salvation Army’s Christmas gift operation in Richmond, Virginia.

Feeding body and soul

Central Territory | St. Paul, Minnesota



Shean Bolton leads eclectic worship music at Citadel church services that reflect a changing community.

The sun won't rise for at least another hour. Helen Ortiz sits nursing a cup of coffee with Ken, with whom she has shared cooking duty for years. The soup is already bubbling. The rest of the volunteers are due at the Citadel in another 20 minutes. The calm before the storm.

When work resumes, everything reflects the numbers being fed. Styrofoam bowls packed with corn flakes are stacked five high. A mountain of toast, warm and buttered, waits in the oven. Cups of orange juice sit 15 to a tray, three trays high.

As 8 a.m. approaches, Helen deploys the volunteers. When the hour strikes and doors open, an orderly line forms, and Helen Ortiz greets each visitor with a plate of food and a warm smile to battle the cold St. Paul morning.

"Mom" is cooking again at The Salvation Army, just as she has for 20 years.

"I have nothing else to give but myself," Helen says of her years cooking for the homeless and the hurting of downtown St. Paul. "And the cooking isn't bad. But when I pass on, I don't want kitchen duty in the next life."

Corps officer Major Ed Wilson knows that volunteers like Helen make all the difference. "They look at Helen as somebody who knows them personally," he says. "They look at her as 'Mom.' They know the rules and they follow them, because Mom will get on them if they don't."

"She runs a tight ship," a regular client says. "Everything here works like clockwork."

"I pretty well handle it like they are at home," Helen says. "There's no swearing. We don't allow it." Clients who cuss are excluded from breakfast for 30 days.

As the meal winds down, Helen walks out to the center of the room. "All right, people," she says, "time to start cleaning up." Immediately, a half-dozen people jump up and begin clearing tables without complaint. Try that with your kids at home.

Providing a home-like environment — even just a little structure — fits with the overall mission of the St. Paul Citadel: "Leading People Home." Whether feeding the homeless, providing for youth of the neighborhood or ministering to the senior population, everything from corps church life to the ongoing social service program is "totally focused

on the mission of the Citadel," says Corps officer Major Ed Wilson. "When you come in to the Citadel, you have found your family. This is your home, your community. This is where you belong."

The eclectic Sunday worship time reflects the changing community that the Citadel serves. A variety of praise music, special messages for children and meditations on Scripture attract the neighborhood's ethnically diverse mix of young and old.

The changing population — and some problems that never change — shape the ongoing ministry. Young families have moved back into neighborhoods that 10 years ago were mostly filled with empty nests. Through year-round recreation programs and after-school tutoring, the Citadel offers what Major Wilson calls "a safe haven for youth."

The Citadel also serves young families with its preschool child-development center, providing excellent care at low cost (if necessary, no cost) to struggling families. "We believe every child is going to be something great," says Tina Firkus, child development director.

For more than a decade, the Citadel has worked to minister to low-income seniors through the Brown Bag program.

"Many of the seniors in this area live on a fixed income," says program coordinator Landis Dean. "And many are being eaten out of house and home by dependent children and grandchildren."

Each month, nearly 200 seniors receive two bags of nonperishable groceries for just one dollar, along with a menu tailored to the bags' contents. But, Landis admits, "We will never deny someone just because they don't have the dollar." The coordination of the bags, as well as the distribution, depends upon many volunteers.

"The idea is not only to get them food," Major Wilson explains, "but also to give us the opportunity to have that personal one-to-one contact."

At all stages of life, from preschool to seniors, The Salvation Army St. Paul Citadel is deeply invested in its neighbors, feeding them — in a multitude of ways — and welcoming them home.





CENTRAL TERRITORY

- > *Centers of Operation: 2,401*
- > *Volunteers: 830,753*
- > *People Served: 7,185,960*



Volunteers assemble food bags (top) as part of The Salvation Army's Brown Bag program for seniors at the St. Paul Citadel. The Citadel also offers a low-cost preschool program for neighborhood children, including an inquisitive Gavin Neibling (middle). Chief among volunteers is Helen Ortiz (left), who has cooked breakfast for the homeless in St. Paul for more than 20 years.



E A S T E R N T E R R I T O R Y

- > *Centers of Operation: 2,740*
- > *Volunteers: 1,821,434*
- > *People Served: 18,177,694*



91-year-old volunteer Wirt Rogers (top) helps Matthew Biller with his homework as part of The Learning Zone. The program includes a computer lab (middle, with Sabrina Clements and Luis Mays) and special programs, such as a performance by Psaltz the Clown (Mike Patterson, painting the face of Tabitha Biller at right).



Learning, love, & laughter

Eastern Territory | Norwalk, Ohio

Wirt Rogers rests in the patience his 91 years have earned him, as Matthew Biller stares at his math assignment. In a few moments, Matthew lights up and offers an answer. “Good! You got it!” Wirt says, with a pat on the shoulder. “Now, let’s move on.”

The two work quietly, along with another half-dozen pairings scattered around the big room at The Salvation Army’s street-front Corps Community Center in Norwalk, Ohio. At other times, that room might host a community meeting or a youth party. But now the room is as quiet as a library. This is “the learning zone.”

For Major Joyce Griffin, issues of literacy have always been central to her ministry work. While serving in Norwalk four years ago, she began an after-school program among third-graders to help prepare them for the key learning years at middle school. Shortly after work had begun on the program, a hospital gave her inspiration.

“I was at a hospital and saw the sign: ‘Hospital Zone.’ I thought about people being quiet and turning off their telephones. I came back and thought, *This place could be a zone of learning*. I want absolutely no one to leave this building without having learned something.”

Drawing from all local elementary schools, The Learning Zone targets the often-overlooked academic “muddy middle” — students who could really blossom with a little more attention and support. Meeting twice a week, students divide their time between a computer lab, one-to-one homework time with a program volunteer, and a special third activity, such as a visit from a local stringed quartet.

“We try to have an atmosphere of love, learning and laughter,” explains co-director Sanchia Roderick. “We want to let them know that this is a safe refuge, a loving place. We want them to know that you can do anything in life when you go down that avenue of learning. We want them to know that through laughter, learning can be fun.”

Of course, the learning is not just academic. It stresses emotional, social, and spiritual growth as well.

“I like The Learning Zone,” says third grader Deanna Lyster, “especially when we come up here and gather up like a family.”

“We try to reward generosity and good manners,”

adds co-director Doug Peterson. Students are encouraged to recognize acts of kindness in others. And parents have noticed.

“Time after time, parents would say, ‘I can’t believe the difference in my child’s manners. They say thank you and please much more often than they used to,’” adds Major Brenda McKay, who has supervised the local program since Major Griffin was appointed by Lt. Colonel Norman Voisey to implement The Learning Zone concept in 39 locations throughout the division.

“Colonel Voisey was so supportive,” Major Griffin says about this program that has evolved into a philosophy, touching nearly every aspect of the Army’s ministry. “He helped me see that this is a holistic program to meet the needs of people from all walks of life in the community. It’s just remarkable what has happened with The Learning Zone.”

The program could not exist without a network of volunteers. “They are our lifeline,” Major McKay says. The depth of volunteer support testifies to how deeply The Salvation Army is woven into Norwalk’s community of 17,000.

Wirt Rogers is invested in Norwalk as well, carrying the mail for 58 years before retiring 15 years ago. Today, he invests himself in the children at The Learning Zone. “I get more out of it than they do,” he confesses.

“I’ll tell you,” he adds, “if you treat them nice and try to be decent to them, then when you get ready to go home at night, those little kids come around you and give you a big hug.”

“When that happens, I want to cry, but I don’t,” Wirt says softly. “I don’t cry until I get home.”



Lauren Adams listens to a string quartet performance at The Learning Zone.

Baby, think it over

Southern Territory | Richmond, Virginia



A long night caring for her “baby” doesn’t keep Michelle Darden, 14, from a lighter moment at the Richmond Salvation Army Boys and Girls Club.

At around 11:30 p.m., No. 054405 finds herself introduced to a young man. He doesn’t seem her type — he’s younger and several inches shorter — but then, you never know. They have a baby in hand before midnight. By 7 a.m., they have learned some hard and valuable lessons in life.

“Baby, Think It Over” is an innovative program at The Richmond (Virginia) Salvation Army Boys and Girls Club. Throughout the year, the club provides a safe haven for youth of the community through recreation, skills, and character-development programs. But one night a year, dozens of teens are “locked in” at the club from 7 p.m. to 7 a.m. The first few hours include practical lessons in the demands of infant care, mixed with inspirational speakers.

“Do not have a child at 14,” Charles Wall tells the crowd, enjoying this volunteer time away from his day job as a juvenile probation officer. “Get your education. Get your skills. Get your lifestyle. Then you can make the right kind of decisions.”

Teens are assigned numbers and paired off randomly, since there’s no point giving domestic inspiration to actual couples. At around midnight, just when sleep deprivation sets in, they are handed a baby and a budget — bills to pay and a family to feed for the rest of the night, all in a gymnasium converted to a virtual community for the duration.

This baby is no doll. A high-tech marvel embedded with special computer chips, each baby has a different personality — just like the real thing. A few of the infants have the special needs of a child born in addiction. Others are just naturally grumpy. They all need to be fed, changed, held. When ignored, they protest with a plaintive wail. Since the gym is filled with electronic newborns, not a single moment passes without a crying baby within earshot. If parenthood always sounded like this, there would be a lot more abstinence at every age level.

Not only does the baby respond to your care, she keeps track of you. The computer chip records everything for later downloading; bad parenting is never a secret for long.

The first hours are exhilarating. Teens wander around, carrying and comparing their babies. One young man towers above the crowd. “This baby hasn’t cried once,” he says, beaming. “I’m Father

of the Year.” Two hours later, as his “wife” struggles to stay awake with the baby, the Father of the Year shoots baskets with his friends on the other side of the gym.

In the middle of the night, frustration builds.

“I just want to hold it,” 13-year-old Melissa Hawkins says.

“Why don’t you hold your own baby,” Deshawn Woolridge, 17, replies. “Make him stop crying.”

“I don’t want it, though.”

Social pathologies erupt. Some couples get divorced. Children end up in foster care. Occasionally, jail time is involved. All before sunrise.

“Calm down,” program director Harold Harris yells to a rambunctious boy running around the gym at about 2 a.m. “Calm down, man. Go take care of your child. Go be with your wife.”

“This has been a great program for these kids,” adds Harris, veteran of 21 years at the club. “We just hope that they seize the opportunity. I hope they learn that they should be stable and have someone they love to share the responsibility of raising that child.”

So far, the results are remarkable. In five years involving hundreds of teens, only two alumni — both boys — have become teen parents. None of the young women who have gone through the program have become pregnant.

“I’ve learned never to have a baby, I know that,” says Ameshia Broagnah, 14, tending to her baby through sleepy eyes.

“Baby, Think It Over” is part of a suite of programs that includes “Fathers for Life” and “Smart Girls,” all designed to help in the difficult transition from adolescence to adulthood through godly role models.

“These programs are very, very special to me,” says Clarence Jennings, who oversees the efforts, “because I was a teenage father myself. I had to learn these things the hard way.

“I want people to know that this is an awesome organization,” he continues. “It’s not about money. We do what we do out of love for these kids and out of love for God.”



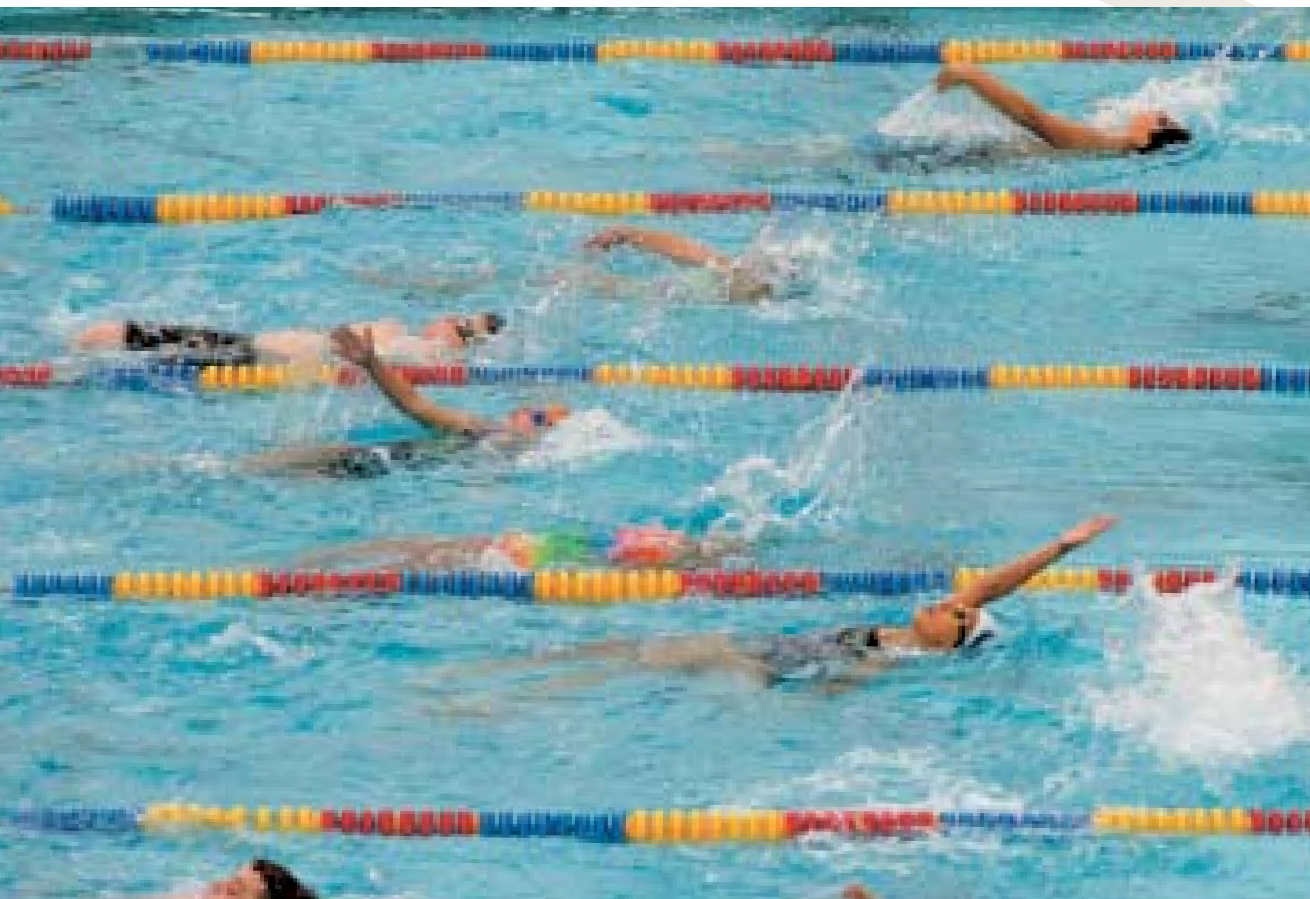


S O U T H E R N T E R R I T O R Y

- > *Centers of Operation: 2,355*
- > *Volunteers: 1,361,440*
- > *People Served: 11,403,172*



In the early hours of the morning, Ameshia Broadnax, 14, struggles to stay awake while feeding her baby (top). Occasionally, “parents” trade duties, leaving Marva Russell, 14 (middle), caring for two babies. Richard Johnson, 16, and Diamond Branch, 13 (left), try to get some rest while their baby is quiet.



WESTERN TERRITORY

- > *Centers of Operation: 1,817*
- > *Volunteers: 656,823*
- > *People Served: 5,483,914*



The pool at the Kroc Center (top) has attracted local swim teams. The Disney GOALS program uses hockey and skating as part of a youth character-development program (middle). San Diego Mayor Dick Murphy enjoys a tour of the Kroc Center with Majors Cindy and Tim Foley (right).



Mrs. Kroc's dream

Western Territory | San Diego, California

As the San Diego Gulls work through shooting drills on the NHL-regulation ice rink, local swim team members practice their strokes outside in the fastest pool in San Diego. In the next building, seniors relax in the warm waters of the therapy pool while the lunch crowd works up a sweat in the state-of-the-art fitness center. At the far end of the complex, the mayor steps off an electric cart to tour the library and the new 600-seat performing arts center, where plans are underway for a Tony Bennett concert. Another day at the Kroc Center.

San Diego Mayor Dick Murphy is more than impressed.

"This has got to be the finest redevelopment project that the city of San Diego has ever seen, in an area that had been historically ignored by the city," he says about The Salvation Army Ray and Joan Kroc Corps Community Center.

Much more than a recreation facility, the Kroc Center is a place where the community can come together, where people can begin to realize their potential.

"This is a miniature peace center," philanthropist Joan Kroc said at the center's dedication in June. "There are 47 languages spoken in this neighborhood. Here, children will learn from each other."

The center features such opportunities as a fitness facility, rock-climbing wall, library, and performing arts center, all in 195,000 square feet of space in five buildings. The center's final touch is a corps community church.

"This," Mayor Murphy says, "is going to encourage the areas around the Kroc Center to be reborn."

That rebirth was already underway when some area residents noticed a \$50,000 increase in home values — a faster rise than in the priciest areas of town. In fact, many real-estate listings describe proximity to the Kroc Center as a major selling point.

From a membership of just 150 on opening day in June, now more than 6,000 have joined the center. Costs of membership are low: starting at \$7 per month for a child living within five miles of the center. Some activities — such as the ice rink — are charged market rates to avoid competing unfairly with for-profit concerns.

The nominal fees, to allow maximum community access, cover a small portion of the facility's \$5.2 mil-

lion annual operating budget. From Mrs. Kroc's original \$87 million gift, \$40 million was set aside as an endowment to continue to fund the center's operation.

"Because of the enormous amount of the original gift," Major Tim Foley says, "everyone thinks we have stacks of money in the corner. Actually, when it comes to financial resources, this is the most challenging assignment I've ever had."

Making the Kroc Center work requires hiring talented professionals. "I don't know anything about running ice areas," Major Tim Foley quips. "I must have slept through that class in Salvation Army training." But making it truly a "Salvation Army" presence — a "safe, fun, and holy place," as the Foleys call it — requires much more than professional skill. It means infusing within every staff member the knowledge that each one represents The Salvation Army, and much more.

"That's how we train the staff," Major Cindy Foley explains. "You're an example of God and Jesus Christ in all that you do. We believe that hospitality is a Christian gift. And that's what we do here. We're showing God's love. We are His conduit."

"In most places," she adds, "The Salvation Army has a difficult time attracting people to come to their church. We're already averaging 1,150 people here every day."

"People may not be interested in church for church's sake at first, but when they're ready to explore their spiritual side, when they need someone to pray for them, they often come to us, because we are already a part of their family's daily life."

And perhaps, as more young people are able to discover and develop their own potential, the Kroc Center will become a daily presence in the worlds of achievement.

"We're all working to make Mrs. Kroc's dream come true," says Shelby Gordon, who manages community relations for the center. "My goal in working here is that we will have Olympians, Oscar winners, Tony winners, Grammy winners, Emmy winners, and world champions come out of this place. And the words 'they came from the Kroc center in San Diego' will become a standard phrase."



The facilities allow promising athletes, such as skater Pamela Jones, to develop their skills.



Financial Summary

of Combined Corporations in the USA for the Year Ended September 30, 2002

This summary represents a combining of data extracted from the Audited Financial Statements of six corporations. Four of these — the Central Territory, the Eastern Territory, the Southern Territory, and the Western Territory — supervise 9,251 units of operation throughout the United States, including Puerto Rico, Guam, and the Marshall Islands. The two remaining corporations are the World Service Office and the National Corporation. Inter-corporation transactions have been eliminated for presentation purposes. The information shown is for the 2002 fiscal year.

The Salvation Army has successfully rendered service in America since 1880 by maintaining conservative financial policies, enabling it to meet human needs without discrimination. 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 2002, non-operating revenues comprised \$259¹ million of unrestricted legacies and bequests and net investment losses of \$342² million. These funds were designated by the Boards for replacement and maintenance of facilities and equipment. Other categories of non-operating revenue include \$31³ million of public gifts restricted permanently by the donors, \$169⁴ million of temporarily restricted support, and \$47⁵ million from miscellaneous sources.

During 2001, the Army spent \$2.49 billion in serving people, up from \$2.31⁶ billion the prior year. Eighty-three⁷ cents of every dollar, or \$2.06⁸ billion, went toward program services, with the remainder accounted for by management and general expenses of \$320⁹ million and fund-raising costs of \$112¹⁰ million. Approximately 69%¹¹ 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 \$1.48 billion, increased from \$1.39¹² billion in 2001. It comprised \$737¹³ million of general contributions, \$314¹⁴ million of legacies and bequests, \$321¹⁵ million of gifts-in-kind, and \$106¹⁶ million of allocations from local United Way and similar funding organizations.

About 75%¹⁷ of the Army's net assets consist of land, buildings, and equipment (\$2.69¹⁸ billion) and invested board-designated reserves for future capital expenditures, ongoing facilities maintenance, and specific programs (\$1.71¹⁹ billion). The remainder primarily comprises investments of donors' temporarily restricted gifts and permanently restricted endowments.

Reaching out to those in need in your community is our highest goal. Our pledge is to maintain the highest standards of financial accountability to continue to preserve your trust. Each Salvation Army center 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 shown on page 18.

Thank you for helping the Army's work *Behind the Shield*. Thank you for helping The Salvation Army serve your community and bring change to the lives of your neighbors.

May God bless you!

¹Total from unrestricted column, legacy income. ²Total of net loss on value of investments. ³Total of contributions and legacies in permanently restricted column. ⁴Total other revenue, temporarily restricted column. ⁵Total of gain on sale of land, buildings, and other revenue. ⁶Previous year's total. ⁷Percentage of program expense. ⁸Total program services in total column. ⁹Total management and general in supporting services. ¹⁰Total fund raising in supporting services. ¹¹Percentage for total public support line. ¹²Total from previous year. ¹³Total of total received directly, except donations-in-kind and legacies income. ¹⁴Total legacies and bequests income. ¹⁵Total donations-in-kind and contributed services. ¹⁶Total of allocated by federated fund-raising organizations and unassociated & nonfederated organizations. ¹⁷Total net assets board-designated and land, building, and equipment divided by the line total. ¹⁸Total net assets in the land, building, and equipment column. ¹⁹Total net assets in the Board-designated column.

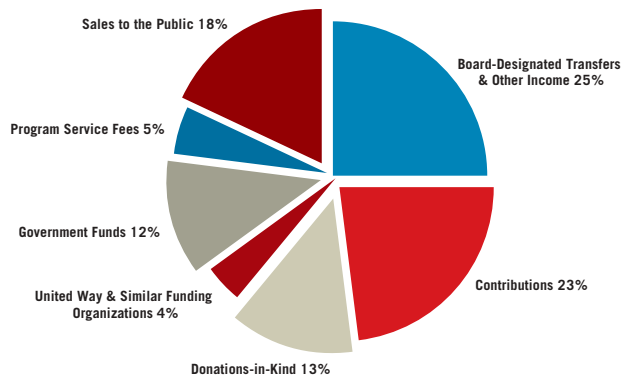


Captain Ho and Keh Chang depend on prayer as they lead Chicago Korean corps' growing congregation.

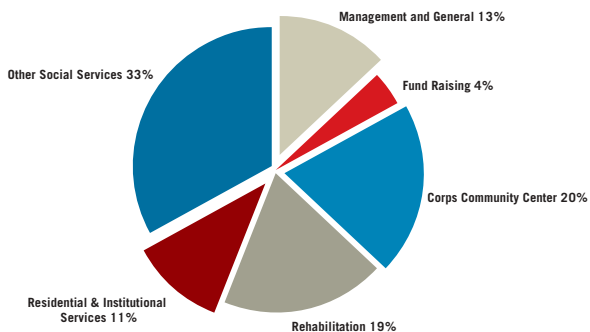
FINANCIAL HIGHLIGHTS

Fiscal Year Ended September 30, 2002

OPERATING INCOME \$2,497 MILLION



OPERATING EXPENSES \$2,492 MILLION



STATISTICAL HIGHLIGHTS

Fiscal Year Ended September 30, 2002

CENTERS OF OPERATION

Corps.	1,354
Outposts and Service Centers	157
Rehabilitation Centers	160
Thrift Stores	1,697
Community Centers, Boys/Girls Clubs	351
Day-Care Centers	212
Senior Citizen Centers	327
Group Homes/Temporary Housing	554
Permanent Residences	90
Medical Facilities	55
Service Units	3,784
Camps	51
Divisions	40
Training Colleges	4
Others	478
Total Centers of Operations	9,314

PERSONNEL

Officers	5,450
Cadets	328
Soldiers	118,270
Members	457,807
Employees	46,145
Volunteers	4,670,450
Advisory Organization Members	63,592

GROUP MEETING ATTENDANCE

Outdoor Meetings	388,531
Sunday School	2,859,147
Sunday Meetings	5,612,823
Weekday Public Meetings	2,326,868
Soldier Development	641,155
Group Activities	12,256,251
Music Organizations	905,565
Other	6,967,201
Total Group Meeting Attendance	31,957,541

PEOPLE SERVED

Basic Social Services	21,626,320
Holiday Assistance	5,897,922
Summer & Day Camps	186,467
Disaster Assistance	5,733,394
Persons Visited in Institutions	4,322,527
Job Referrals	61,837
Correctional Services	488,589
Community Center Participants	1,199,891
Persons Served in Salvation Army Institutions	1,132,872
Substance Abuse Rehabilitation	220,111
Medical Care	83,491
Transportation Provided	514,426
Missing Persons	209,104
Day Care	58,892
Senior Citizens	514,897
Total Persons Assisted	42,250,740

SERVICES

Meals Served	60,620,697
Lodgings Supplied	10,246,371
Welfare Orders-Cash Grants	6,286,202
Tangible Items Distributed- Clothes, Furniture, Gifts	18,970,992
Attendance at Community Center Activities	30,697,945



The Salvation Army

of the United States of America

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 territorial commander operates under the general policies laid down by International Headquarters in London. 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.

NATIONAL HEADQUARTERS

Commissioner W. Todd Bassett, National Commander
Colonel Thomas C. Lewis, National Chief Secretary
615 Slaters Lane, P.O. Box 269,
Alexandria, VA 22313-0269
Telephone (703) 684-5500, Fax (703) 684-3478
www.salvationarmyusa.org

CENTRAL TERRITORY

Commissioner Kenneth Baillie, Central Territorial Commander
Lt. Colonel Barry Swanson, Chief Secretary
10 West Algonquin Road,
Des Plaines, IL 60016-6006
Telephone (847) 294-2000, Fax (847) 294-2299
www.usc.salvationarmy.org

EASTERN TERRITORY

Commissioner Lawrence Moretz, Eastern Territorial Commander
Colonel James Knaggs, Chief Secretary
440 West Nyack Road,
West Nyack, NY 10994-1739
Telephone (845) 620-7200, Fax (845) 620-7766
www.salvationarmy-usaeast.org

SOUTHERN TERRITORY

Commissioner Philip Needham, Southern Territorial Commander
Colonel Philip Swyers, Chief Secretary
1424 Northeast Expressway,
Atlanta, GA 30329-2088
Telephone (404) 728-1300, Fax (404) 728-1331
www.salvationarmysouth.org

WESTERN TERRITORY

Commissioner Linda Bond, Western Territorial Commander
Lt. Colonel Donald Bell, Chief Secretary
180 East Ocean Boulevard,
Long Beach, CA 90802-4713
Telephone (562) 436-7000, Fax (562) 491-8792
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 Federal Income Tax purposes to the extent permitted under Section 170(b)(1)(A) of the Internal Revenue Code for individual donors and Section 170(b)(2) for corporations.



The four territories of The Salvation Army in the United States

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THE SALVATION ARMY

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

National Headquarters

615 Slaters Lane, P.O. Box 269

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