



DOING
THE MOST
GOOD™

NATIONAL ANNUAL REPORT

08

20



+

S E R V I N G I N T O **W H O L E**

+

20
08

+



DOING
THE MOST
GOOD™

TO OUR FELLOW STAKEHOLDERS

On behalf of Salvationists, officers and staff, as well as the tremendous community of donors and volunteers who support our work, I invite you to explore the pages of The Salvation Army's annual report for 2008. This annual review of our unchanging mission is set in a world of constant change.

We live in uncertain times. Economic doubts and uncertainty set Americans on edge, unsure of where our nation is heading. Volatility in global markets is echoed in the marketplace of ideas. The spiritual moorings that have anchored this nation for generations seem to be under assault. Worse yet, they are ignored.



NESS

08

Yet in these times of challenge we can witness, perhaps more clearly than in easier days, the unique intersection where the calling of The Salvation Army meets the way that America faces a crisis.

As recent history has repeatedly shown, America rises to the occasion in crisis — caring for those who cannot care for themselves. And when the people of our nation reach out, they often do so through the work and ministry of The Salvation Army.

We see it every year at Christmastime. This year was no different: even in the face of rising prices and looming uncertainty, donations at Salvation Army kettles were higher than ever before — for the third year in a row.

The Salvation Army's place in American society — what I call our "stewardship of trust" — is a sacred responsibility that we take very seriously. It is a position we have neither planned nor overtly sought. Instead, our trusted role was obtained naturally — or perhaps more accurately, *supernaturally* — through

an ongoing commitment to our mission, deepened by service. That service permeates our society, touching people at every stratum. That's why The Salvation Army uniform is appropriate anywhere from a homeless shelter to the White House.

When tragedy struck Virginia Tech last April, Captain Stephen Morris served as part of our disaster-response pastoral team. While he was comforting a mother touched by the tragedy, she explained an unexpected sense of peace. "My grandmother was a Salvationist in Boise, Idaho," she told Captain Morris. "I just remember the peace she seemed to have. When I saw your uniform last night, that same peace came over me."

That kind of trust does not come easily, and we have it only because of the generations of service to America in her moments of greatest need.

We respond to disasters of all sorts — from wildfires in California to tornados in the Midwest, from storms in Florida to the collapsed freeway bridge in Minneapolis. But in the vast majority of our work, the devastation is on a personal scale.



JASON BURN/THE SALVATION ARMY



And though our work usually begins with meeting immediate needs, it rarely ends there, because spiritual transformation is essential for lasting change. Central to our mission is holistic ministry — moving beyond the moment's crisis to address deeper spiritual hunger. We call it “serving a person into wholeness.”

This report will explore a few examples of our commitment to holistic transformation:

- In Detroit, Michigan, the Southeast Michigan Adult Rehabilitation Center gives men a path out of addiction through spiritual renewal built on a foundation of work therapy.
- In Boston, Massachusetts, the Eva Booth House offers homeless women a place to rebuild their lives until they are able to live independently.
- In Tyler, Texas, the Center of Hope offers a suite of holistic efforts to help those who have fallen on hard times, including a life-skills and employment program that enjoys a 93-percent success rate.
- In Ramona, California, Wildwood Ranch brings inner-city youth into an encounter with nature and its Creator, often with life-changing results.

NEW KINDS OF MINISTRY

Because of The Salvation Army's unique position of trust, new ministry efforts are often launched when local leaders approach us



THERE'S MORE TO THE STORY.

See more photos and interviews online:
www.SalvationArmyUSA.org/videos

Known for its work in service to society, The Salvation Army is also a church, with congregations all around the country. A more familiar aspect is the Army's long-standing commitment to music (above). Behind the scenes, millions of Americans serve with us, such as during Indiana's Operation Homefront (below).



First Lady Laura Bush was an honored guest at the National Advisory Organizations Conference, held in Dallas in April (below). Ministry involvement takes place in the local community, such as a women's auxiliary meeting in Tyler, Texas, where Judith Malone amuses a friend's baby (opposite page).



with an idea — or more likely, a problem that needs addressing.

Such was the case, of course, when Mrs. Joan Kroc's extraordinary generosity made the Ray and Joan Kroc Corps Community Center possible. That center is leading a renaissance in eastern San Diego — and thanks to Mrs. Kroc's posthumous gift of \$1.5 billion, we're working toward 30 such centers around the country. Each Kroc Center will reflect the unique aspirations and needs of its community. In fact, the process itself is bringing communities together in unprecedented ways.

I'll never forget a meeting with community leaders in a city designated for a center. Since each Kroc Center is a locally driven effort, community involvement is essential. At this meeting, enthusiasm for the effort was palpable. One person pulled me aside to tell me that he had never seen a group of leaders come together to agree about *anything*. He doubted another organization could have pulled it off.

Of course, what does "pull it off" is not of us; it is borne out of our mission to serve. That mission began in the slums of 19th-century London with William Booth's characteristically practical approach: "Soup, Soap and Salvation." The path to the changed heart, he knew, begins with the immediate need.

That formula works as well today in America as it did more than a century ago in England. It works in slums, but it also works in the suburbs. It works in communities torn apart by disaster. It works in lives devastated by addiction. It works with distracted youth and neglected seniors. It works wherever it is attempted — best seen in love for God moving men and women to care for others. This is the unchanging mission of The Salvation Army.

WHAT WE WERE BORN TO BE

Yet even as we continue to serve in traditional ways, we must also address new realities. The Salvation Army is taking a leading role, for example, against the hidden tragedy of sexual trafficking — a global scourge involving communities within our nation.

We are also forging new partnerships with corporations and leaders who share our vision of service. In addition, local advisory boards and a rich network of volunteers around the nation work with us to develop new ways to serve more effectively in a changing world.

Our focus was sharpened at the National Advisory Organizations Conference, held in Dallas this past April. The conference (held every four years) allows Salvation Army officers and staff to meet with our most passionate volunteers. This year's featured speakers included Jerry Jones, owner of the Dallas Cowboys; authors Rick Warren (*The Purpose Driven Life*) and Jim Collins (*Good to Great*); as well as First Lady Laura Bush.



RON LONDEN

A few months ago, I was invited to participate in a conference of diverse nonprofit organizations, spanning a broad spectrum of ideologies. After I addressed the delegates, one young man stopped me in the hallway. His perspective was different from mine, yet his counsel was powerful: "Don't ever change your mission. Don't ever let The Salvation Army abandon its faith."

We are committed to thinking smarter, working harder and praying deeper. And we will never turn away from our original promise nor lose our passion for helping this nation reignite its spiritual heritage. Innovative service will reflect renewal, not reinvention. In the end, we must be what we were born to be.

If The Salvation Army were a conventional church, we would do some good things — as does anyone who strives to follow Christ. If The Salvation Army were merely a social-service agency, some people would be fed and housed, others would receive help with financial needs, child care, counseling or any of a number of worthy pursuits. We would do some good.

But through our unique serving, which is emphatically both practical and spiritual, we are — in partnership with you — able to be true to our God-given mission by doing the most good.

Thank you for your partnership in our mission to bring wholeness.

Commissioner Israel L. Gaither
National Commander



Thank you for taking the time to read The Salvation Army's annual report for 2008. The vital work of this organization simply could not continue without the vision and effort of community-minded volunteers nationwide. Under the guidance of local advisory boards, these volunteers have a powerful impact upon both individual lives and entire communities — at moments of deepest need. Such need knows no season, and it regards no barriers of race, gender or status. It is at these moments of personal crisis and national challenge that America comes together and that Americans roll up their sleeves with The Salvation Army.

This vision for service reflects the American commitment to a community coming together to solve its own problems. That's why this nation has always connected so deeply with the work and mission of The Salvation Army. By meeting practical needs in effective, community-based ways — in other words, by doing the most good — we are serving the lives and souls of the people around us.

Thanks for your support of The Salvation Army and your willingness to serve with us.

Sincerely,

Rob Pace
Chairman, National Advisory Board

A close-up portrait of a man with a beard and mustache, looking directly at the camera with a slight smile. The background is a plain, light-colored wall. The man has short, light-colored hair and is wearing a blue collared shirt. The lighting is soft, highlighting the texture of his skin and the details of his facial hair.

CECIL FOLEY

Binges of addiction cost him money and family relationships. "I'd lost everything I had; I was living on the street. One Monday, I spent \$1,000 in four hours, and I said, 'I'm done.'" Then Cecil turned to The Salvation Army.

TROPHIES OF
GRACE

Cecil Foley spiraled from alcohol to cocaine to crystal meth to crack. He would quit for a time, and he never had trouble working, but each season of sobriety was short-lived. The most recent binge left him homeless, spending \$23,000 on drugs in less than 10 weeks.

"I knew my family was tired of it," Foley recalls. "Tired of me hurting them and hurting myself. One Monday, I spent \$1,000 in four hours, and I said, 'I'm done.'"

Foley found his way to The Salvation Army's Southeast Michigan Adult Rehabilitation Center in downtown Detroit. The months with the ARC have allowed Foley to reconnect with his faith and begin to rebuild his life. "God called me to do something. He brought me through this and to The Salvation Army for a reason. I truly know that."

"There are what we refer to as 'trophies of grace' around here," says program administrator Merle Miller. "They are men who would be dead right now if not for this program."

The largest of 125 such facilities in the nation, Detroit's ARC now houses 300 residents, up from 83 a decade ago. The program's \$30 million annual budget is funded entirely through the 24 Detroit-area thrift stores.

The days begin early. Breakfast at 5 a.m. is the only time everyone is together, usually with Miller there to help serve the food. Devotions and the meal are followed by work shifts in the facility or in thrift stores. Through the work-therapy program, residents learn important lessons that can help reshape a life.

"The reality is that men know they need to work," Miller says. "They don't necessarily want to. But they are all involved in the work-therapy program, which is essential to completion and recovery."

Residents also participate in mandatory classes and group meetings, as well as one-to-one sessions with the spiritual counseling staff.

The ARC's 355,000 square-foot facility was rededicated last year following a \$24 million upgrade. "We chose the word *transformation* for our building because it was going to be transformed, not renovated," Miller says. "It's just like the souls and hearts of men. When the Lord gets ahold of you, you become a different person."

Donald Muse, ARC's director of food services, knows transformation from personal experience. He came to the ARC after his own addiction derailed a promising career as an executive chef. Following his recovery, Muse decided to stay on for one year to help others facing the same challenges. That was 13 years ago.

"I had planned on returning to my career," he says, "but I love the work I do, and it seems that God has trained me in preparation for this."

Residents assigned to the kitchen are trained in highly marketable skills. Using his extensive contacts in Detroit's food-services community, Muse helps place graduating residents in jobs throughout the city.

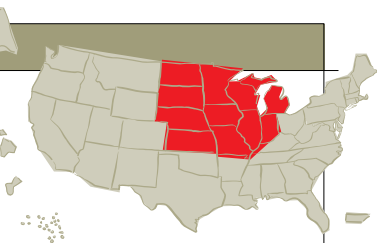
"I'm concerned about every person who comes through this program," he says, "because I know that you can make it. Where you started doesn't define who you will be once you decide to get yourself together."



ARC residents learn valuable life skills through work therapy, whether working at thrift stores in the Detroit area (such as Cecil Foley, above), or processing donated goods in the ARC facility. Food services director Donald Muse (left) has dedicated himself to teaching marketable skills to workers in his kitchen.

CENTRAL TERRITORY

Centers of Operation..... 1,941
Volunteers 690,116
People Served..... 6,002,933



THERE'S MORE TO THE STORY.

See more photos and interviews online: www.SalvationArmyUSA.org/videos



DENISE WILLIAMS

"I used to see Salvation Army signs throughout the city. I thought they just gave out food to people who were hungry or that they showed up during disasters. I had no idea that they love people the way they do."

LONG-TERM

CHANGE

Recruited into prostitution at age 13, Denise Williams became a mother at 16, married at 18 and had a second child at 19 who died as an infant. She and her husband also used cocaine together. She then became a 25-year-old widow when her husband died of HIV. Denise was not infected.

Eventually, Williams began to put her life together. She ran a family shelter in Boston and founded a ministry outreach to teenage prostitutes. Spread too thin, she tried to ignore that stress was taking an expensive toll. "Just one pain pill," she told herself.

"And that was the beginning of the end," she says now.

After having enjoyed nine drug-free years, Williams plunged deeper than ever into addiction. Multiple arrests landed her in jail, where she reconnected with her childhood faith. Facing serious charges, Williams prayed for deliverance. The next day, the judge offered her a second chance. "I couldn't believe it when I walked out of court, because that just doesn't happen."

On her release, Williams found The Salvation Army's Eva Booth House in South Boston. Until the Eva Booth House was founded in 2007, there were no addiction treatment facilities available for women in Boston's social-service network.

"The result was that women simply stayed in jail," says Major Steve Carroll, commanding officer of the Cambridge Corps. "And when they were released, they were never treated for the addiction that brought them there in the first place."

The Eva Booth House is based on a successful program for men in nearby Cambridge. Both programs take a long-term approach — not just fighting addiction but also developing the life skills for independent living, even if it takes years.

"We don't want to simply get women off the street," Carroll adds. "We would rather work with a woman for three or four or five years than simply give her food vouchers or send her from shelter to shelter for the rest of her life."

The program is divided into three phases. The first six months are highly structured with classes, counseling sessions and support groups. After that, residents find a job or go to school while attending evening sessions. After a year, women can move to single-occupancy rooms with an eye toward independence.

Throughout the program, spiritual growth is emphasized. "The love of Christ is in this place," Denise Williams agrees. "I praise God for what He's done in my life."

Rebuilt lives often lead to rebuilt families.

"Some of these women have had their children taken away from them," says Marilyn G. Morrison, chaplain and administrator of Eva Booth House. "We want to see those families reunited, repaired."

Decades of addiction had alienated another resident from her three grown children. But now Belinda Crawford's children are proud of the changes they have seen in her life since coming to Eva Booth House.

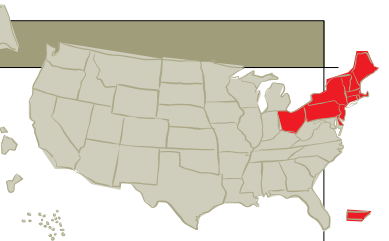
"My kids really need me," Crawford says. "And I'm not ready to die. I'm ready to live."



Denise Williams leads music during devotions (above). Chaplain and administrator Marilyn Morrison (left) says the program's long-term commitment allows residents to begin rebuilding family relationships. For everyone (below left), Eva Booth House was a chance to start over with her children.

EASTERN TERRITORY

Centers of Operation 2,246
Volunteers 773,442
People Served 7,401,302



THERE'S MORE TO THE STORY.

See more photos and interviews online: www.SalvationArmyUSA.org/videos



+

WILSON RISINGER

"I just knew that I was tired — spiritually, emotionally and physically tired of the whole thing," Wilson says of his 30 years of addiction. "These people taught me how to work for my fellow man. Basically, they taught me how to care."

**WHERE HOPE
LIVES**

+

In Tyler, Texas, The Salvation Army has seniority. More than a century of service will do that. Tyler was much smaller when the Army arrived in 1897. But today, the city of more than 80,000 retains a small-town spirit.

"People around here really care about what happens to their neighbors," says Captain John Falin. "And Tyler genuinely believes in the mission of The Salvation Army. We are a part of the fabric of this community."

Captain Falin describes the Army in Tyler as a "conduit of grace," where organizations, churches and individuals come together to serve others in times of need. The springboard for ministry is The Center of Hope, the Army's sprawling campus covering four city blocks. But the final destination, Falin says, is self-sufficiency.

For Wilson Risinger, the road to that destination stretched through 30 years of addiction. "By the time I graduated to methamphetamines, things had gotten pretty bad," he recalls. "I'd gone through two wives and I don't know how many live-in girlfriends. I'd probably worked in 100 different jobs."

A friend's recommendation got him to The Center of Hope. "I didn't know if this place was going to work. I just knew that I was tired — spiritually, emotionally and physically tired of the whole thing."

Risinger was first enrolled in Reconnect, a chemical-dependency program that features highly structured spiritual counseling and support classes. From there, he graduated to the HELP (Holistic Employment Life-Skills Program) curriculum, which provides residents with training ranging from personal finances and parenting skills to resumé building.

HELP alumni have enjoyed considerable success, with 93 percent moving on to jobs and independent living. While parents are being trained and gaining employment, children who live in the center are tutored by volunteer educators. Last year, every child in the program made the academic honor roll in the Tyler public-school system.

Other ministry efforts in Tyler include a shelter for homeless families, extensive food relief and an active women's auxiliary, as well as William Booth Gardens — a 132-unit apartment complex for low-income seniors. And while The Salvation Army's efforts touch a broad swath of the community, the real value of ministry is measured one life at a time.

Leslie Darby came to The Center of Hope as an alternative to jail for her fourth DUI conviction. "I wasn't sure they would even allow me to stay, because I thought I was such a horrible person," Darby says. "But from the day I walked in, the compassion, caring and support from the staff has helped me start a new journey."

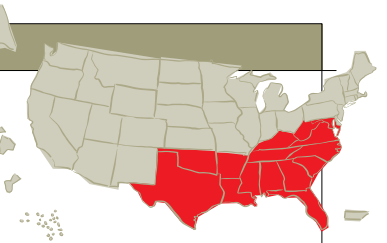
"If I ever come across anyone who seems to have no hope," Risinger says, "I will not hesitate to bring him to the door of any Salvation Army facility. I can never praise this place enough for what it has done. It has saved and rebuilt what was left of me."



Leslie Darby enjoys her opportunities to work with kids in The Center of Hope's nursery (above). Wilson Risinger (left) volunteers for extra work in the kitchen, just to stay busy. The center's H.E.L.P. curriculum helps residents (far left) gain key skills as they develop a spiritual foundation for independent living.

SOUTHERN TERRITORY

Centers of Operation..... 2,191
 Volunteers 1,299,557
 People Served..... 11,054,758



THERE'S MORE TO THE STORY.

See more photos and interviews online: www.SalvationArmyUSA.org/videos

A close-up portrait of a young Black woman with her hair pulled back, looking slightly to the right with a gentle smile. Her hand is resting on a surface in the foreground. The background is softly blurred.

DEJA COX

Nine years as a Salvation Army camper have given Deja Cox the confidence to aim for a career as a lawyer and a judge. "I think the camping experience has changed me for the better," Deja says. "Camping doesn't end when the week is over."

+

**WE CREATE
MOMENTS**

+

Living with Grandmother had become so normal for Deja Cox that it was nearly a year before the young girl was told that her mother had been sentenced to life in prison. Even at a young age, Deja herself had grown a tough, rebellious exterior.

"Years ago, my grandmother told me that, at the rate I was going, by age 15 I would either be dead or in jail," the 16-year-old says quietly. "I was really bad."

Every summer, though, Deja welcomed her week at Wildwood Ranch, The Salvation Army's youth camp in the mountains of north San Diego County.

"The typical child who comes to camp is from a single-parent family — an inner-city child," says camp director Dave Patton. "The experience up here is totally foreign to a lot of these kids. It lowers their guard a little bit.

"By the time they leave, we have to push them onto the bus. They're clinging to their counselors and the staff members."

Each week during the summer camping season, Wildwood Ranch hosts 120 to 140 children. The six-day camp offers kids a wilderness experience in an encouraging environment designed for life-changing impact.

"Our staff are aware that every minute counts in getting these kids to a saving knowledge of Christ," Patton says. "We do not apologize for the fact that we are going to have an impact on the children — not only with the environment and the fun, but also because we are going to introduce them to the gospel."

Deja Cox was one of those children. Despite her rebellious exterior, she gained life-long spiritual lessons from the staff during the nine summers she spent at the camp. "Sometimes the preaching doesn't necessarily have to be someone opening the Bible and talking about Bible-based things," she says. "Sometimes the preaching is through their actions — being nice to you or teaching you how to swim or helping you shoot a bow and arrow."

Nine-year-old Michelle Nolasco agrees: "The counselors are very nice, sweet and protective. They always give me hugs. It makes me feel happy."

"I believe that camping is the largest evangelical tool The Salvation Army has," Patton says. "Where else can you reach this many people in such a short time? We're on the front lines of the spiritual ministry of The Salvation Army.



"We create moments at camp with the different activities we provide. We hope and pray that the moments where kids have fun will ultimately lead to eternal moments."

Deja says her years at camp taught her to be more caring to others, which she is now trying to pass on every summer — as a staff member herself, at Wildwood Ranch. But in a few years, Deja wants to go to college and eventually become a Supreme Court justice.

"Camp doesn't end when the week is over," she says. "Maybe I can go to law school and reach my dreams — and help other people as well."

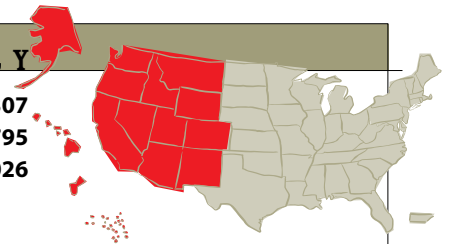


RON LONDEN (4)

Camping offers encounters with nature for kids more used to city life — often with life-changing results. "I would bet that 90 percent of the officers in The Salvation Army had positive camping experiences when they were younger," says director Dave Patton. "Camps impact lives. These are life-changing experiences."

WESTERN TERRITORY

Centers of Operation 1,307
Volunteers 608,795
People Served 4,416,026



THERE'S MORE TO THE STORY.

See more photos and interviews online: www.SalvationArmyUSA.org/videos



FINANCIAL SUMMARY

OF COMBINED CORPORATIONS IN THE USA

FISCAL YEAR ENDED SEPTEMBER 30, 2007

20



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 **7,686** 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 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 2007 the Army spent **\$2.88** billion in serving people, down from **\$3** billion the prior year. Eighty-two cents of every dollar spent, or **\$2.36** billion, went toward program services, with the remainder accounted for by management and general expenses of **\$359** million and by fund-raising costs of **\$156** million. Approximately **84** 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 which were previously donor-restricted or board-designated for long-term projects.

Total public support — both operating and non-operating —

was **\$2.01** billion, changed from **\$1.64** billion in 2006. It comprised **\$968** million of general contributions, **\$539** million of legacies and bequests, **\$410** million of gifts-in-kind, and **\$92** million of allocations from local United Way and similar funding organizations.

During 2007 non-operating revenues comprised **\$229** million of unrestricted legacies and bequests and net investment gains of **\$707** million; these funds were designated by the Boards for replacement and maintenance of facilities and equipment. Other categories of non-operating revenue include **\$167** million of public gifts restricted permanently by the donors, **\$323** million of temporarily restricted support and **\$327** million from miscellaneous sources.

About 58 percent of the Army's net assets consist of land, buildings and equipment (**\$3.13** billion) plus invested board-designated reserves for future capital expenditures, ongoing facilities maintenance and specific programs (**\$3.13** 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 deserve your trust. Salvation Army centers are 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 16.



DOING THE MOST GOOD

STATISTICAL HIGHLIGHTS

FISCAL YEAR ENDED SEPTEMBER 30, 2007

CENTERS OF OPERATION

Corps	1,263
Outposts and Service Centers	175
Rehabilitation Centers	156
Thrift Shops	1,371
Community Centers, Boys/Girls Club	365
Child Day Care Centers	154
Adult Day Care Centers	18
Senior Citizen Centers	271
Group Homes /Temporary Housing	538
Permanent Residences	75
Medical Facilities	52
Service Units	2,936
Camps	47
Divisions	40
Training Colleges	4
Other	221
TOTAL Centers of Operations	7,686

PERSONNEL

Officers	3,614
Cadets	244
Lieutenants	103
Soldiers	107,033
Members	413,028
Employees	59,651
Volunteers	3,363,910
Advisory Organization Members	56,353

GROUP MEETING ATTENDANCE

Outdoor Meetings	390,697
Sunday School	2,496,706
Sunday Meetings	5,591,292
Weekday Public Meetings	2,198,980
Soldier Development	591,440
Group Activities	10,125,474
Music Organizations	969,004
Other	6,224,572
TOTAL Group Meeting Attendance	28,588,165

PEOPLE SERVED

Basic Social Services	14,659,684
Holiday Assistance	4,335,870
Summer & Day Camps	204,366
Disaster Assistance	1,203,683
Persons Visited in Institutions	3,046,031
Job Referrals	103,776
Correctional Services	502,106
Community Centers Participants	1,114,909
Persons Served in Salvation Army Institutions	1,131,581
Substance Abuse Rehabilitation	340,258
Medical Care	52,334
Transportation Provided	831,968
Missing Persons	148,856
Day Care	166,503
Senior Citizens	1,033,094
TOTAL Persons Assisted	28,875,019

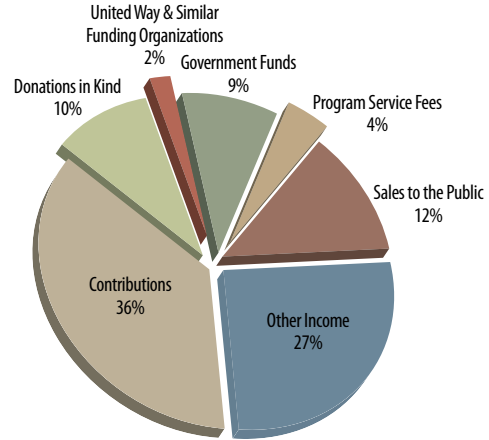
SERVICES

Meals Served	60,138,948
Lodgings Supplied	10,256,080
Welfare Orders – Cash Grants	6,598,432
Tangible Items Distributed – (Clothes, Furniture, Gifts)	20,521,139

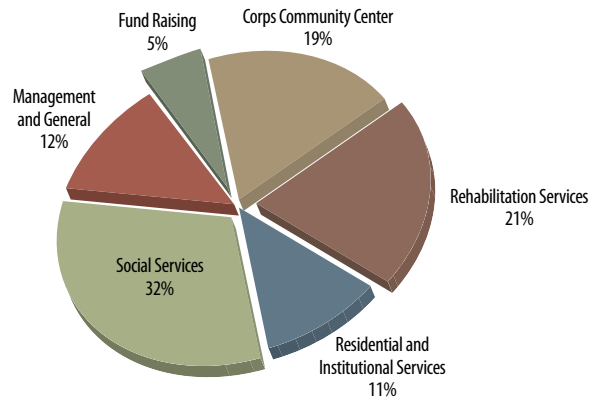


FINANCIAL HIGHLIGHTS

FISCAL YEAR ENDED SEPTEMBER 30, 2007



INCOME \$4,157 MILLION



OPERATING EXPENSES \$2,878 MILLION

THE SALVATION ARMY

OF THE UNITED STATES

NATIONAL HEADQUARTERS

Commissioner, Israel L. Gaither, National Commander
Lt. Colonel David Jeffrey, 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, Territorial Commander
Lt. Colonel Paul R. Seiler, 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 R. Moretz, Territorial Commander
Lt. Colonel Larry E. Bosh
440 West Nyack Road
West Nyack, NY 10994-1739
Telephone (845) 620-7200, Fax (845) 620-7766
www.salvationarmy-usaeast.org

SOUTHERN TERRITORY

Commissioner Maxwell Feener, Territorial Commander
Lt. Colonel Terry W. Griffin, Chief Secretary
1424 Northeast Expressway
Atlanta, GA 30329-2088
Telephone (404) 728-1300, Fax (404) 728-1331
www.salvationarmysouth.org

WESTERN TERRITORY

Commissioner Phil Swyers, Territorial Commander
Lt. Colonel Donald C. 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 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.

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 SALVATION ARMY NATIONAL ADVISORY BOARD

CHAIRMAN, NATIONAL ADVISORY BOARD

MR. ROBERT J. PACE
Advisory Director
Goldman, Sachs & Company

MR. MARK ABELS
Consultant
Media & Public Relations
St. Louis, Missouri

MR. ROBERT W. ALSPAUGH
CEO – Retired
KPMG International
Carmel, California

MRS. CHARLOTTE JONES ANDERSON
Executive Vice President
Dallas Cowboys Football Club
Irving, Texas

MRS. DEBORAH C. BRITTAIN
Past President
Association of Junior Leagues International, Inc.
Princeton, New Jersey

MR. ROBERT L. BYERS
Chairman
Byers' Choice Ltd.
Chalfont, Pennsylvania

MR. CRAIG CAMPBELL
Senior Vice President, Sales Development
First Marblehead Corporation
Pittsburgh, Pennsylvania

MRS. MARLENE KLOTZ COLLINS
Director of Community Relations – Retired
News Channel 3 & WB 3 (Belo)
Phoenix, Arizona

MR. RICHARD DAVIS
President & CEO – Retired
Dearborn Development Co.
Alamo, California

MR. WAYNE DRINKWARD
President
Hoffman Construction Co.
Portland, Oregon

MR. DAVID R. FRAUENSHUH
CEO
Frauenshuh Companies
Bloomington, Minnesota

MRS. JOYCE GLAZER
Philanthropist
San Diego, California

MRS. SALLY HARRIS
Board of Directors
Albert Schweitzer Fellowship and Center
New York, New York

MR. C. SCOTT HARTZ
Principal
The Hartz Group
Philadelphia, Pennsylvania

MRS. KAY COLES JAMES
President
The Gloucester Institute
Alexandria, Virginia

MR. DALE E. JONES
Executive Vice President
Revolution LLC
Washington, D.C.

MRS. ELIZABETH B. KOCH
Chairperson of the Board, Kansas Cultural Trust
President, Fred C. & Mary R. Koch Foundation
Wichita, Kansas

MR. JAMES LANDEN
President
Security National Bank
Omaha, Nebraska

MR. BOBBY LYLE
Chairman, President & CEO
Lyc0 Holdings Inc.
Dallas, Texas

MR. CRAIG G. MATTHEWS
Vice Chairman & COO – Retired
KeySpan
Brooklyn, New York

MS. DOROTHY NICHOLSON
President
Nicholson Interests
Houston, Texas

MR. ROBERT J. PACE
Advisory Director
Goldman, Sachs & Company
New York, New York

MR. JAMES A. PARKER
President & CEO
Jay Parker & Associates, Inc.
Washington, D.C.

MR. VERNON PARKER
Founder
VBP Group
Phoenix, Arizona

MR. WILLIAM J. RADUCHEL
Independent Director, Angel Investor
& Strategic Advisor
Great Falls, Virginia

AMBASSADOR JOE M. RODGERS
Chairman
JMR Group
Nashville, Tennessee

MR. CHARLES V. SEDERSTROM
Chairman
Erickson & Sederstrom, P.C.
Omaha, Nebraska

MR. DONALD G. SODERQUIST
Senior Vice President & COO – Retired
Wal-Mart Stores, Inc.
CEO, OnCourse LLC
Rogers, Arkansas

MR. DONALD W. STRANG, JR.
Chairman – Retired
Strang Corporation
Cleveland, Ohio

MRS. SHEILA TATE
Vice Chairman
Powell Tate
Washington, D.C.

MRS. MARY LG. THEROUX
Senior Vice President & Director
The Independent Institute
Oakland, California

MR. FRANK VISCARRA
AVP Franchise & Community Relations – Retired
McDonalds Corporation
President, The Vizcarra Consulting Group LLC
Carlsbad, California

MR. RICHARD B. WILLIAMSON
Chairman of the Board & CEO
T.D. Williamson, Inc.
Tulsa, Oklahoma

MR. EDWARD WINDERS
President
Transnational Public Policy Advisors LLC
Alexandria, Virginia

MR. CHARLES J. WYLY, JR.
Entrepreneur – Former Chairman
Michaels Stores, Inc.
Dallas, Texas

Past Chairman Circle

MR. RICHARD H. BERTHOLDT
Vice Chairman – Retired
PriceWaterhouseCoopers
New York, New York

MR. ARTHUR J. DECIO
Chairman of the Board
Skyline Corporation
Elkhart, Indiana

MR. DONALD V. FITES
Chairman – Retired
Caterpillar Inc.
Peoria, Illinois

MR. EDESEL B. FORD II
Board of Directors
Ford Motor Company
Dearborn, Michigan

MR. HARRY V. LAMON, JR.
Principal
Lamon & Sherman Consulting, LLC
Atlanta, Georgia

MR. STEVEN S. REINEMUND
Chairman of the Board & CEO – Retired
PepsiCo, Inc.
Dallas, Texas

MR. B. FRANKLIN SKINNER
Chairman & CEO – Retired
Bell South Telecommunications, Inc.
Atlanta, Georgia

Life Members

MRS. RUTH SHARP ALTSHULER
Chairperson, Carr P. Collins Foundation
Chairperson, Sharp Foundation
Dallas, Texas

MR. RALPH O. GLENNINNING
Chairman – Retired
Glenninning Companies
Hobe Sound, Florida

Emeritus Members

MR. RICHARD H. EYMAN
Corporate Director – Retired
Salem, South Carolina

MR. DONALD C. FANTA
President & CEO
DCF Corporation Investment Banking
Columbus, Ohio

MR. ROBERT GARCIA
Senior Advisor
Venable LLP
Washington, D.C.

MR. RICHARD G. HAGERTY
Real Estate Development
Modesto, California

MR. WORTH HOBBS
President – Retired
Alcoa Foundation
Pittsburgh, Pennsylvania

MR. MARVIN D. HEAPS
Chairman of the Board
ACTS Retirement – Life Community
West Point, Pennsylvania

MR. JERRY V. JARRETT
Chairman & CEO – Retired
Ameritrust Corporation
Venice, Florida

VADM MICHAEL P. KALLERES, USN (Ret.)
President
Dare to Excel, Inc.
Jacksonville, Florida

MR. JONATHON E. KILLMER
Partner – Retired
PriceWaterhouseCoopers LLP
Scottsdale, Arizona

MR. GEORGE B. McCULLOUGH
Vice President – Retired
Exxon Corporation
Houston, Texas

MRS. MARGOT PEROT
Board of Directors
Dallas Museum of Art
Dallas, Texas

MRS. MARILYN QUAYLE
President
BTC, Inc.
Phoenix, Arizona

MR. E. RICHARD RATHGEBER
President
Southwest Constructors, Inc.
Austin, Texas

MR. EDWARD C. RUFF
COO – Retired
Wachovia Securities, Inc.
Charlotte, North Carolina

MR. WILLIAM T. SLICK, JR.
Senior Vice President – Retired
EXXON
Houston, Texas

MR. TIMOTHY W. SWAIN II
Partner
Swain, Hartshorn & Scott
Peoria, Illinois

MR. CHARLES D. TOWERS, JR.
CEO – Retired
Rogers, Towers, Bailey, Jones & Gay
Jacksonville, Florida

MR. RICHARD TUCKER
Chairman & CEO – Retired
Tri-State Bank
Denver, Colorado

MR. DONALD C. WILSON
Vice President – Retired
U.S. West Communications
Seattle, Washington

MR. CHARLES E. ZEIGLER, SR.
Chairman of the Board – Retired
Public Service Company of North Carolina
Gastonia, North Carolina



2008



MISSION STATEMENT



DOING
THE MOST
GOOD™

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 OF THE UNITED STATES OF AMERICA

National Headquarters
615 Slaters Lane, P.O. Box 269
Alexandria, VA 22313-0269
Telephone (703) 684-5500 Fax (703) 684-3478
www.SalvationArmyUSA.org

CREATED BY JOURNEY GROUP, INC. | COVER PHOTOS BY RON LONDEN