

AMERICAN
FRIENDS
SERVICE
COMMITTEE



ANNUAL REPORT 1999



TERRY FOSS

Mozambique



TERRY FOSS

Turkey

Leaving no one behind



TERRY FOSS

Honduras



RANDY IRESON

North Korea



BILL PIERRE

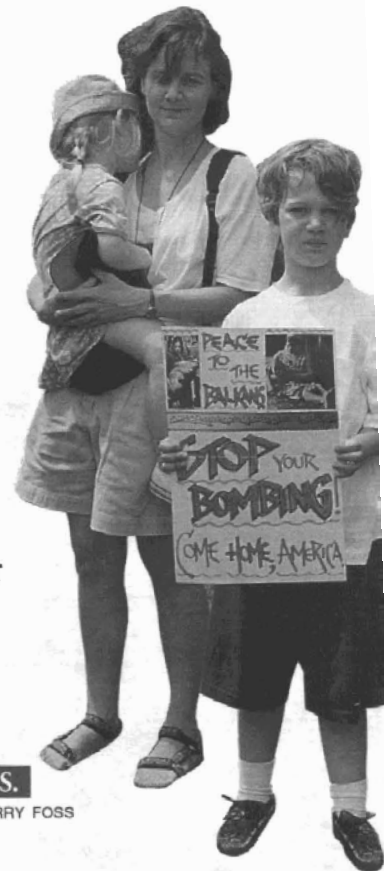
Iraq

THE LAST YEAR OF THE 20TH Century presented tremendous challenges to AFSC. Natural disasters took their toll of lives, property, and the progress toward economic justice we had nurtured in areas such as Honduras, devastated by Hurricane Mitch. Efforts toward peacemaking and understanding of ethnic diversity faded as events in the Balkans spiraled out of control, culminating in NATO's bombing of Kosovo. And conditions continued to worsen in Iraq, still suffering under economic sanctions.

We have been inspired and supported by the outpouring of donations and concern as we tried to counter these natural and human tragedies. Our warehouse overflowed with supplies and emergency kits, and we received record-setting contributions for immediate support and longer term reconstruction.

We dedicate this report to those whose lives are still a daily challenge, and to those generous supporters of many faiths who share their good fortune through AFSC.

As we move forward with your help to build the conditions for peace and justice, we intend to leave no one behind.



U.S.

TERRY FOSS

International Programs

◀ AFSC was a conduit of great generosity and concern for refugees during their exodus from Kosovo and the months of NATO bombing. Across the United States, Friends meetings, youth groups, organizations, and individuals contributed \$1.5 million and more than 40,000 Emergency Kits for Kosovars. Corporations contributed more than \$1.4 million in material goods.



TERRY FOSS

Kosovo

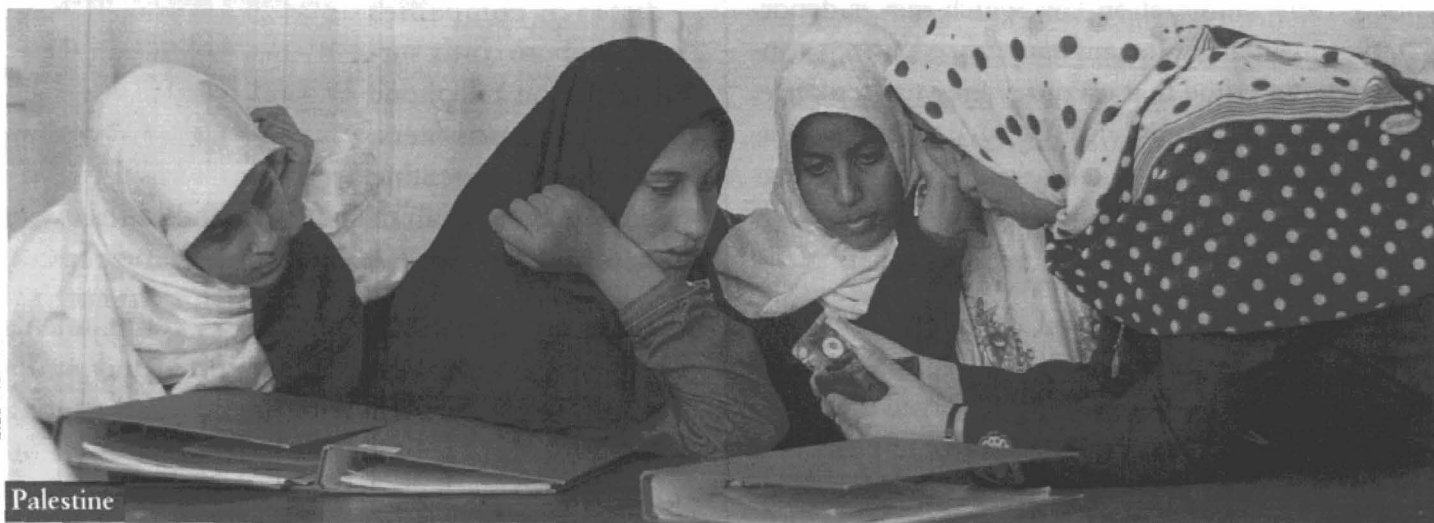
◀ We assisted two refugee camps and host families in Macedonia, providing supplies and classes for children. Our Budapest office served as a shelter and central location for refugees to reconnect with displaced family members. Long-term work includes reconstruction and reconciliation in Kosovo, Macedonia, Serbia, and Bosnia, and support of Roma (gypsy) and other minorities, Serb groups, and those displaced by the conflict.

◀ AFSC expanded on nearly two decades of exchanges and work in North Korea, sponsoring a tour by five North Korean cardiologists, one of the first medical delegations to visit U.S. hospitals and medical institutions. We continued to help North Korea overcome ongoing food shortages by

sending agricultural supplies and fertilizer to three large cooperative farms.

◀ Based on a ground-breaking study of violence in everyday life in Cambodia, we started programs to enhance Buddhist values of nonviolence and help women reduce conflict and violence in their communities.

◀ AFSC donated emergency kits and other supplies to homeless earthquake victims in Turkey. We provided tents for women, and showers and toilets purchased from a Turkish company.



BILL PIERRE

Palestine

Domestic Programs

◀ To assist flood victims in the aftermath of Hurricane Floyd, AFSC's Crisis Fund granted \$10,000 to the North Carolina Friends Disaster Service and \$5,000 to the Farm Labor Organizing Committee. We also sent emergency supplies, hygiene kits, cleaning materials, bedding, toys, and clothing.



TERRY FOSS

U. S.

◀ The Mentorship Program in Newark, New Jersey, provided a new path and hope for youth, ages 14 to 17, who have been in trouble with the law. The successful program includes adult mentors, programs on social skills and careers, and help in finding summer jobs.

◀ Seeking a peaceful solution to the often rancorous public debate over access to Alaska's fish and game, AFSC initiated a listening project to hear from Native Alaskans and urban hunters and help find common ground on which to build an accord.

◀ AFSC provided advice to hundreds of families across the United States torn apart by enforcement of a 1996 immigration law, which makes deportation mandatory for any naturalized citizen convicted of a crime that carries a one-year sentence, regardless of circumstance. We have twice sent family representatives to Congress to promote changes to the law, and supported groups for families left behind.

◀ In West Virginia, AFSC led a successful two-year effort to reverse an unjust law and restore benefits to 6,700 poor families who were forced off federal assistance if they also received a Supplemental Security Income benefit for a sick or disabled child.

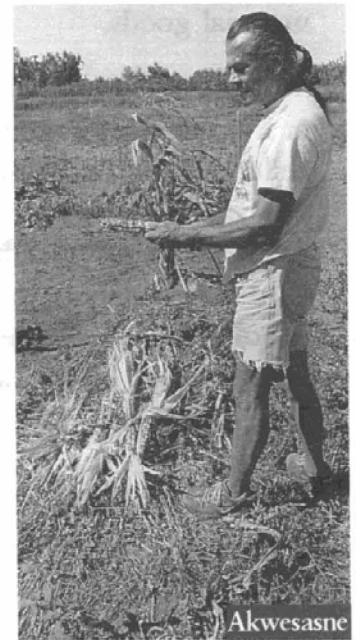
◀ For Pine Ridge Reservation families in South Dakota whose homes were destroyed by tornadoes, we established a relief fund and purchased kitchen kits and bedding.

◀ Our Seattle-based Gay, Lesbian, Bisexual, Transgender, and Questioning (GLBTQ) Youth Program added a toll-free telephone number for the Youth Information Line to provide greater access and confidentiality. The internship program offers leadership training and public speaking opportunities to promote tolerance and understanding of sexual diversity.

◀ In the Mohawk territory of Akwesasne between New York State and Canada, a new community medicine garden produced herbs to treat ailments and teach youth traditional healing methods.

◀ We joined a nationwide boycott of long-distance companies that impose costly surcharges on telephone calls from prisoners, effectively preventing many inmates from maintaining vital contact with family and friends.

◀ Recognizing long-standing Quaker commitments to Native Americans, AFSC supported and participated in the first meeting in 20 years among Indian activists, our staff, and more than 60 Friends.



TERRY FOSS

Akwesasne

Peace Education

◀ During the conflict in Kosovo, we held vigils in the U.S. and advocated an end to the NATO bombing. AFSC organized a coalition of 18 peace and faith organizations that witnessed for peace at the White House and the Yugoslav Embassy in Washington, D.C.

◀ Economic sanctions against Iraq today cause the death of 5,000 children a month due to malnourishment and lack of medicine. In several ways, AFSC continued efforts to end the sanctions: through speaking tours, visits to Iraq by delegations of physicians, teachers, and Congressional aides, and a grassroots movement organizing more than 50 peace groups. An AFSC-produced video, *One Million Post-*

cards, promoted a campaign by two Iraqi-American sisters to send postcards to President Clinton urging an end to sanctions.

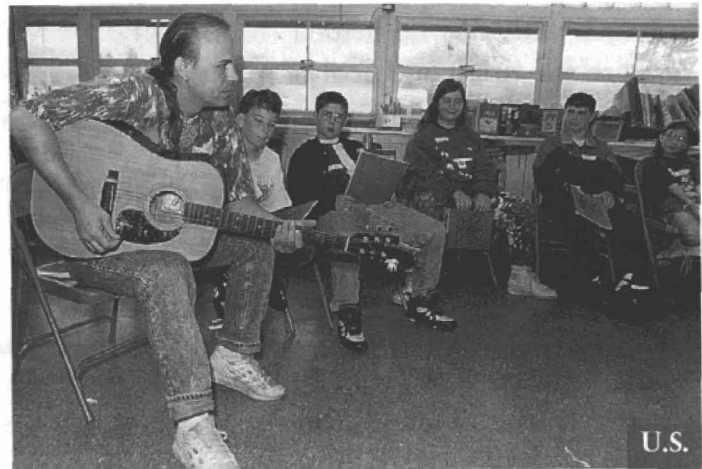
◀ Direct aid to Iraq continued with shipments of

5,000 Health Kits to orphanages, medicine, and medical journals.

◀ AFSC was a founding member of a new U.S. Campaign to Stop the Use of Child Soldiers. Affiliated with a strong international movement, this campaign helped change U.S. opposition to UN efforts to establish 18 as the minimum age for military recruitment.

◀ To minimize confrontations between young people and police in the San Francisco area, we

formed youth groups and conducted workshops to teach them about their rights and ways to defuse potentially violent situations.



U.S.

TERRY FOSS

◀ The increasingly popular Help Increase the Peace Program (HIPP) expanded to several new U.S. locations. Drawing on the energy and enthusiasm of participants, HIPP also initiated a newsletter, web page, promotional video, and a conflict-resolution manual.

◀ The Quaker United Nations offices in New York and Geneva sponsored a conference in Durban, South Africa. Eighteen community activists from around the world—including former guerrilla soldiers—and AFSC staff from Baltimore and Boston shared ideas on how to end neighborhood violence and eliminate the demand for weapons.

Special Programs

◀ AFSC's special programs provide ongoing work on issues of concern to the organization, such as racism and gender equality. Our Washington Office brings AFSC's field experience to government officials, the media, and other organizations.



PETER LEMS

Iraq

This annual report is a tribute to those working on AFSC projects around the world and to those whose encouragement and financial gifts make Quaker service possible. We want to share our appreciation and gratitude with all who helped support our vision and goal of a more peaceful, just, and compassionate society.

Contributions to AFSC are deductible for federal income tax purposes.

One sentence inserted in your will by your attorney can help work for a better world. "I give and bequeath to the American Friends Service Committee, 1501 Cherry Street, Philadelphia, PA 19102, the sum of \$_____ to be used for its general purposes."

¹ Includes the AFSC pension plan, revocable trusts, and the AFSC Charitable Gift Fund, a special fund created by donors who make suggestions to AFSC regarding grants from their individual fund to appropriate programs and/or other charitable organizations.

² Bequest income fluctuates unpredictably. To balance this flow of funds, AFSC creates a pool of several years' bequests and allocates approximately \$8.5 million each year for program work. This policy assures program stability and continuity from year to year.

Beginning FY'94, AFSC instituted a policy to draw down total reserve levels to equal one year of operating expenses. As a result, \$2 million were used in the FY'99 budget.

STATEMENT OF FINANCIAL POSITION — SEPTEMBER 30, 1999

ASSETS

Cash & cash equivalents	\$5,322,427
Net accounts & notes receivable	1,346,813
Accrued interest & prepaid expenses	2,092,592
Other assets	114,538
Prepaid pension expense	9,203,841
Property:	
Land, buildings, & equipment	2,491,248
Property held for resale	279,833
Remainder interest in life estates	1,042,142
Investments:	
Available for operations	62,350,570
Planned gift assets	45,505,970
Other temporarily restricted	8,253,840
Permanently restricted	2,982,114
Total investments	119,092,494
Investments held for others ¹	42,393,068

TOTAL ASSETS **\$183,378,996**

LIABILITIES

Accounts payable & accrued liabilities	\$2,498,212
Post retirement benefits liability	5,510,227
Interest free loans	2,466,332
Liabilities accruing to planned gift assets:	
Annuities payable	9,720,373
Remainder interest payable	2,678,903
Investment management and custodian fees payable	5,942,347
Total planned gifts liabilities	18,341,624
Agency funds ¹	42,393,068

TOTAL LIABILITIES **\$71,209,462**

NET ASSETS

Unrestricted	
Current operations	\$5,104,169
Bequests designated for future use ²	46,812,292
Funds functioning as endowments	7,242,245
Informal pension plan	7,284,361
Land, buildings, & equipment	2,334,452
Total unrestricted	\$68,777,519
Temporarily restricted:	
Time restrictions	\$28,976,707
Purpose restrictions	6,197,931
Gain on endowment assets	5,078,469
Total temporarily restricted	\$40,253,107
Permanently restricted	\$3,138,908

TOTAL NET ASSETS **\$112,169,534**

TOTAL LIABILITIES & NET ASSETS **\$183,378,996**

STATEMENT OF ACTIVITIES FOR THE YEAR ENDING SEPTEMBER 30, 1999

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT, GAINS & OTHER REVENUES				
Public Support:				
Contributions for current program work	\$6,874,422	\$12,281,909		\$19,156,331
Contributions of materials (in-kind)	2,451,288			2,451,288
Bequests	10,188,940	1,934,412		12,123,352
Contributions to planned giving for future program work		3,130,045		3,130,045
Total public support	\$19,514,650	\$17,346,366		\$36,861,016
GOVERNMENT GRANTS		\$159,158		\$159,158
Other Revenue				
Appropriated investment income	\$2,609,649	\$172,474		\$2,782,123
Program service income	671,737			671,737
Other income	235,476			235,476
Adjustment for fees payable		(23,191)		(23,191)
Adjustment for actuarial liability of annuities		(1,204,587)		(1,204,587)
Net assets released from restrictions	15,533,845	(15,533,845)		0
TOTAL PUBLIC SUPPORT, GAINS AND REVENUE	\$38,565,357	\$916,375		\$39,481,732
EXPENSES				
PROGRAM SERVICES				
International programs	\$11,957,415			\$11,957,415
Domestic programs:				
Community Relations	7,928,611			7,928,611
Peace Education	4,752,684			4,752,684
Special programs	2,216,934			2,216,934
Total program services	\$26,855,644			\$26,855,644
PROGRAM SUPPORT				
Fundraising	4,457,614			4,457,614
General management	2,570,294			2,570,294
Total program support	\$7,027,908			\$7,027,908
TOTAL EXPENSES	\$33,883,552			\$33,883,552
Results from operations	\$4,681,805	\$916,375		\$5,598,180
Investment earnings not appropriated	6,292,805	\$1,350,864		7,643,669
TOTAL CHANGE IN NET ASSETS	\$10,974,610	\$2,267,239		\$13,241,849

A copy of the complete audited financial statement is available from: AFSC/Controller's Office, 1501 Cherry St., Philadelphia, PA 19102

AFSC Officers and Board Members, 1999

Officers

Donald S. Gann
Presiding Clerk

Ronald E. Mattson
Assistant Clerk

Mariagnes Aya Medrud
Assistant Clerk

Paula Rhodes
Assistant Clerk

Kate Nicklin
Treasurer

Kara L. Newell
Executive Director

Board Members

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Barbara Bird

Vicki Cooley

Ellen Cooney

Cathie Felter

Sally Findley

Deborah Fink

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Armando Gaitan

Mike Hinshaw

Barry Hollister

Connie Jolly

Carolyn Jordan

Art Koeninger

Paul Lacey

Phil Lord

Judith McDaniel

Eva Miller

Howard Mills, Jr.

Lincoln Moses

Margaret Mossman

John B. Munson

Joann Neuroth

Allen Oliver

Sara Sue Pennell

Robert Philbrook

Marguerite Rece

Don Reeves

Jolee Robinson

Ted Robinson

Doris Shamleffer

Susan Sweitzer

George Watson

Marcy Wenzler

Angela Wilson

Michael Yarrow

Dean Young



American Friends Service Committee

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Pacific Southwest Region

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