American Friends Service Committee
Annual Report 2007
Dear Friend,

It’s customary in an annual report to tell the reader of the accomplishments of the previous year. This I am glad to do.

With the generous help of our supporters, the American Friends Service Committee worked in more than 25 countries, engaging untold thousands of people in our economic, food security, and conflict resolution programs. Across the United States, we mobilized pro-peace events to end the war in Iraq, supported the immigrant communities that contribute so much to our labor pool and vibrant community life, and focused on channeling our nation’s resources into human needs.

I also want to note the AFSC’s 90-year history which we celebrated in 2007. From the beginning in 1917, donors and volunteers have been the backbone of our world-ranging work. Whether rebuilding after war or a natural disaster, being present as an advocate for peaceful resolution of conflict in neighborhoods in turmoil, or listening and supporting those in grassroots struggles, the Service Committee has benefited from their commitment.

We asked our long-time partners to share their “Reflections” on the organization and what AFSC has meant in their lives. You will find some of their submissions throughout this report.

As one loyal donor said, “Thank you for teaching by touching the lives of those who give and those who receive that heroism and hope, like hunger and anger, that courage and caring, like poverty and pain, are part of the human condition, and that we connect with the best of ourselves by reaching out for friends we’ve not yet met.”

AFSC is glad to be your connection with friends whom you “have not yet met.”
As you read this report and learn about our accomplishments, know that you who make our worldwide programs possible are present in the lives of children in Haiti, in homes in Indonesia, in training workshops in Afghanistan, in schools around the United States, in pro-peace demonstrations in our communities, in lush gardens in Bosnia, in reconciling encounters in Africa, in youth poetry jams for peace and human rights, and in meetings at the United Nations.

As we celebrated our 90th anniversary, many of you wished AFSC well and a long life—and promised to continue your financial support. In turn, we promise to honor your confidence and take strength from your encouragement in the years ahead.

With warm wishes and prayers for peace,

Mary Ellen McNish
General Secretary
The American Friends Service Committee’s three program areas increasingly work together as national and international issues of peace and justice overlap. We have found that problems in one area of the world may be present in geographically distant places, and AFSC provides the links and the experience to address that commonality.

In 2007, this cooperative approach expanded as staff brought diverse communities together, enhanced communications and facilitated cross-cultural experiences, and encouraged leaders to learn from one another as they identified common concerns. In settings from Chicago to Cambridge, Visalia to Vietnam, Austin to Amman, Mexico to Mozambique, and in many points in between, AFSC worked for justice, human dignity, reconciliation and peace.
At the invitation of the President of Iran in February 2007, AFSC was a primary organizer of a DELEGATION TO TEHRAN of twelve Christian religious leaders and one journalist—this at a time when the U.S. government was not interacting with that country. The group met with President Ahmadinejad, as well as government officials, academics, and religious leaders. Conversations focused on nuclear power and nuclear weapons, the Israeli-Palestinian conflict, and United States-Iran relations. The visit ended with an invitation to Iranian religious leaders to continue growing relationships and make a reciprocal trip to the U.S.

Despite on-going unrest in the region, the PALESTINIAN YOUTH PROGRAM provided opportunities for more than 1,000 young people to identify, research, and plan solutions to community problems. For example, they considered school violence and learned about nonviolent responses. Palestinian graduates of AFSC nonviolence trainings in turn have led workshops in more than 20 communities.
After several decades of work in **HAITI’S GRAND ‘ANSE REGION**, the extensive health program was successfully transferred to a local organization. The careful transition plan left in place the only health clinic serving some 60,000 people, and a comprehensive training program for community health workers who serve their neighbors as their primary contact for medical issues.

Some 4.5 million Iraqis have been displaced in the last five years of war and occupation. Most of these **IRAQI REFUGEES** live in perilous circumstances in Jordan and Syria. A May 2007 symposium explored the dynamics of the refugee situation and participants began planning a Quaker response. An assessment team visited Jordan and Syria and initiated specific assistance plans such as providing prosthetic limbs and starting income-producing enterprises for women heads-of-households.

In Southern Africa, AFSC focused mainly on the **ZIMBABWE** economic and political crisis, continuing its nonpartisan role as intermediary among various factions. Discussions covered topics such as land distribution and agricultural policies and how to have an impact

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I have long had great respect for Quaker history of peace, assistance to people in need all over the world, the role in the battle against slavery, the support of human, women’s and children’s rights - all the causes and values I believe in and support. Long may you continue to work for the human spirit.

- Vicki Feldon
BIENVENIDOS
INAGURACION DE LA MAQUILADORA
"DIGNIDAD Y JUSTICIA"
Y AL 60 ANIVERSARIO
DE LA APERTURA DE LA
OFICINA DEL C.F.O.
03 ABRIL 2004 PIEDRAS NEGRAS, COAH.
on these critical issues. In addition, we supported a National Religious Dialogue among Christians, Muslims, and others.

The **EASTERN ACEH AND NORTHERN SUMATRA AREAS IN INDONESIA** received less assistance following the disastrous tsunami than other affected areas, so AFSC is focusing on building local capacity there. Numerous small-scale grants were made to strengthen local partners who carry out the work. For example, forty women learned to develop and submit a business plan. Using revolving loans, 36 of the women received funds to start new businesses. Staff remain involved by answering questions and problem-solving as the need arises.

The **CHINA SUMMER WORK CAMP** completed its seventh year. Coming from China, East Asia, and the United States, 35 college-age participants taught some 130 middle school students, 80% of them girls. Subjects included English and environmental education in a country where the health impacts of pollution are a growing concern.

In **AFGHANISTAN**, AFSC has completed ten schools. Through the Ministry of Education, we trained teachers in psychology and peacebuilding methodologies, two areas of urgent need in a country still affected by day-to-day violence.

In 1940, my father, Steve Schanzer, had to abandon his only remaining belongings in one trunk as he fled from the Nazi occupation on an old bicycle down the coast of France to Portugal. When finally he arrived in New York six months later, the AFSC somehow sent his trunk to join him. At 78, I am still grateful to them for saving the only photos of our early life in Vienna which were in that trunk!

— Charles Paterson
PEACEBUILDING

Spearheaded by AFSC’s Chicago office, colorful, large banners showing “THE COST OF WAR” were displayed in prominent public spaces around the country including Philadelphia and Boston. Part of the ongoing effort to end the Iraq war, the banners educated viewers on the domestic human needs that could be funded if monies were not used to continue the war. (For example: One day of the Iraq war = $720 million; one day of the Iraq war = 34,904 scholarships for university students.)

On the FOURTH ANNIVERSARY OF THE IRAQ WAR, AFSC joined other groups in a commemoration in the National Cathedral in Washington, D.C., and helped organize more than 300 vigils and rallies on New Year’s Day and January 2 to mark the 3,000th U.S. military death in Iraq. Eyes Wide Open displays (a pair of military boots for every deceased soldier) were mounted in many states.

Across the country, staff and many volunteers continued TRUTH IN MILITARY RECRUITMENT efforts in public schools and other venues such as neighborhood fairs. The new publication, It’s My Life: A Guide to Alternatives after High School, gives students ideas beyond joining the military which all too often seems like the only recourse. In Chicago, activists (including an Iraq war veteran) repeatedly attended Board of Education meetings to press for changes in how the armed forces recruit in schools.
I inherited the AFSC from my family. My grandfather was the “spiritual advisor” to Herbert Hoover during his term as president. I attended many Quaker meetings as a child. I was brought up to believe in world peace, tolerance, and social justice. I support AFSC in honor of my family, and especially my mother, Dorothy Griggs Murray.

— Mary Lindley Murray Griffin-Jones
Ultimately, some restrictions were instituted and “recruiter” was redefined to include those who offer alternatives to the military. AFSC also provided resources for a GI rights hotline where callers received guidance on subjects such as resources for handling post-traumatic stress disorder.

AFSC was instrumental in the publication of *I Will Never Be Silenced: Testimonies of Hope from Colombian Women*. They speak of transforming their suffering into hope in a war-torn country. The volume has been distributed to activists and U.S. faith communities.

The annual **OLIVE HARVEST TOUR** to Palestine involved activists from all over the U.S. who traveled to the Middle East to pick olives, meet with peace proponents, and visit AFSC programs in the area. After returning home, the participants organized events to describe their experiences, wrote op-ed pieces for newspapers, met with Congressional representatives, held media interviews, and promoted the sale of fair trade olive oil.

In July, General Secretary Mary Ellen McNish joined other Nobel Peace Prize Laureates in Geneva, Switzerland, to present the U.N. Economic and Social Council with a **CHARTER FOR A WORLD WITHOUT VIOLENCE**. The three-page document contains twelve principles which range from eliminating nuclear weapons and the small arms trade to bolstering civil society and protecting the rights of minorities.
COMMUNITY RELATIONS

The work of many of AFSC’s U.S. offices touched untold numbers of young people in a variety of ways. Students in Washington, D.C., gained skills in reporting the realities of their communities and day-to-day life. They conducted interviews, uncovered sources of accurate information, and wrote stories based on their research. In Syracuse, New York, young people learned about the harm caused by insults and stereotypes and they were encouraged to “Pay It Forward”—to think about how to interact with their peers in positive ways.

In San Francisco, the Asian and Pacific Islander youth network held its annual conference that is led by the young people themselves. The object is to train a new generation of leaders for their respective communities and to address common problems, including “Know Your Rights” when encountered by the police.

Economic justice work focused on building public support for an increase in the **FEDERAL MINIMUM WAGE**, which was raised for the first time in more
I have clear memories of all the help I received from AFSC during the Vietnam War. I sought and received a deferment with AFSC’s advice, and later trained to be a draft counselor, an important job which I did for many months. I am thankful AFSC organized the busses from St. Louis to the March on Washington in November 1969, an emotional experience I will never forget.

— Richard Nolte
Oh, what joy when the Quaker food truck arrived! In 1945-46 I was not quite eligible for school yet, but every day my mother would take me and other neighborhood friends to my brother’s school yard. Each child had a small empty can, our “Quakerspeisetopf.” After each student received their portion of the hot, thick soup, the leftovers were carefully divided among me and the other pre-schoolers—many times our only meal for the day. Then the real fun began! The skinniest kids (I usually was one of them) were lifted into huge kettles where we could lick and scrape to our heart’s content! Unheard of in today’s spic-and-span world to let children lick these giant soup pots—children who otherwise may not have survived post-World War II Germany. Heartfelt thanks!

-- Anneliese H. Carber

than a decade. AFSC offices in New Hampshire, West Virginia, and Ohio helped build momentum for this victory through their successful efforts to raise their states’ minimum wage limits.

In 2007, ECONOMIC JUSTICE PROGRAMS organized four call-in days during which thousands of citizens phoned their Congressional representatives to increase domestic human needs appropriations. With AFSC’s leadership, coalitions in New Hampshire and West Virginia pressed for and won increases in the hourly minimum wage.

AFSC was particularly attuned to the growing problems of gun violence in many communities. In the New York metropolitan area, staff worked in low-income areas through the CAMPAIGN TO REDUCE DEMAND FOR ILLEGAL GUNS. After assembling community experiences and ideas, the young people involved presented recommendations to 15 elected officials and their staffs, including Mayor Bloomberg’s office, at the Inter-Borough Summit on Gun Violence.
IMMIGRANTS’ RIGHTS remained a high priority for AFSC work in 2007, and the organization was a major leader in the call for comprehensive and humane national immigration reform. Local offices helped people in their communities in California, Colorado, Iowa, Massachusetts, Oregon, and other states to cope with raids, workplace abuses, and family separation. In Newark, New Jersey, AFSC provided direct services such as legal advice for immigrants facing deportation.

NATIONAL ADVOCACY DAYS IN THE NATION'S CAPITAL brought immigrants and their advocates to press their agenda. AFSC’s delegation included some 115 community members and staff from more than thirty states. Participants were trained in how to make congressional visits, and more than 60 visits to senators’ and representatives’ offices took place. AFSC forged alliances with other faith communities to press for the humane treatment of those whose status is uncertain or undocumented, and for an end to workplace raids.

The WOMEN AND FAIR TRADE event in Austin, Texas brought together producers and consumers in a day of information-sharing and camaraderie. This annual celebration brings home the labor and skill of those who make items for consumption and those who help provide a fair living by buying the products.

A joint AFSC and charter school project started a sustainable organic farm in ALBUQUERQUE, NEW MEXICO. Powered only by solar energy, the long-term plan is to produce 72 varieties of
vegetables that will be sold to the school district for the lunch program. In OHIO, staff worked with neighborhoods to start a food buying club, a resource that promotes better health, sustains small farmers and bolsters the local economy.

Following two MINE DISASTERS IN WEST VIRGINIA, AFSC staff served on the governor's investigating commission which provided guidelines for the first national mine safety legislation in a generation.

OTHER PROGRAMS

The WASHINGTON OFFICE, located in the historic Davis House, translates the global grassroots experiences of AFSC’s worldwide programs into analyses and advocacy to have an impact on government policies and policymakers. Staff also convened colleague organizations to develop “A New Roadmap for U.S. Engagement with the World” to present to a new administration and Congress elected in the fall of 2008.

“When I was small, I developed chicken pox and had to wait ten days to see the pediatrician (until Dad’s next payday). When Mom took us to see the doctor, I was covered with infected pox and my baby sister by then also was infected. When asked why she waited so long, she replied, “I was waiting until payday.” He said, “Bring the children when they get sick and pay me on payday.” I was six and decided then that I was going to be a physician. (Not a likely possibility for a black female in 1940!) I went to college and medical school and my mom decided to get a job to help me. The American Friends Service Committee hired her. I worked through high school and saved money for tuition. But Mama’s salary fed me. Thank you for all you do!”

– Audrey M. Worrell
## Statement of Activities
For the Twelve Months Ending September 30, 2007

### Operating Revenues:

<table>
<thead>
<tr>
<th>Description</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
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<td><strong>Public support:</strong></td>
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<tr>
<td>Contributions for current program work</td>
<td>$10,838,203</td>
<td>$10,588,937</td>
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<td>Bequests</td>
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<td>Contributions to planned giving program</td>
<td>$720,389</td>
<td>1,883,688</td>
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<td>Contributions to Endowment Funds</td>
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<td>51,042</td>
<td>572,103</td>
<td>623,145</td>
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<td><strong>Total public support</strong></td>
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<td>$12,649,203</td>
<td>$572,103</td>
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<td>Government Grants</td>
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<td>130,007</td>
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<td>Investment income, net of fees, appropriated</td>
<td>$3,745,610</td>
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<td>Program service income</td>
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<td>$654,122</td>
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<td>Miscellaneous interest and other income</td>
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<td>Net assets released from restrictions</td>
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<td>$(16,223,152)</td>
<td>164,529</td>
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<td><strong>Total revenues</strong></td>
<td>$45,254,296</td>
<td>$(3,443,942)</td>
<td>$736,632</td>
<td>$42,546,986</td>
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### Operating Expenses:

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<td>Program services:</td>
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<tr>
<td>International programs</td>
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<td>0</td>
<td>$12,411,107</td>
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<tr>
<td>Domestic programs</td>
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<tr>
<td>Community relations</td>
<td>$11,585,560</td>
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<td>Peace education</td>
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<td>$9,008,386</td>
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<td>Special programs</td>
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<td>$2,933,976</td>
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<td><strong>Total program services</strong></td>
<td>$35,939,029</td>
<td>0</td>
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<td>$35,939,029</td>
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</tbody>
</table>

**December 6, 2007**

**Fiscal Year 2007**

**American Friends Service for Conciliation and Reconciliation**

**Address:** 6101 Grosvenor Lane, Suite 200, Silver Spring, MD 20910

**Telephone:** 301-588-7200 **Fax:** 301-588-7272

**Web Site:** www.afsc.org
<table>
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<th>Temporarily Restricted</th>
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<tbody>
<tr>
<td>Program support:</td>
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<tr>
<td>Management and general</td>
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<td>Fundraising</td>
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<td>3,738,896</td>
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<td><strong>0</strong></td>
<td><strong>$6,984,250</strong></td>
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<td><strong>Total expenses</strong></td>
<td>$42,923,279</td>
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<td>0</td>
<td>$42,923,279</td>
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**CHANGE IN NET ASSETS FROM OPERATIONS**

$2,331,017  $(3,443,942)  $736,632  $(376,293)

**OTHER CHANGES IN NET ASSETS**

Investment gains not appropriated 11,155,249 2,657,090 0 13,812,339
Adjustments for changes in planned giving liabilities 0 (714,454) 0 (714,454)
Pension and Benefits Adjustment per FASB 158 (2,838,032) 0 0 (2,838,032)

Total change in net assets $10,648,234  $(1,501,306)  $736,632  $9,883,560

**NET ASSETS - Beginning of year**

$69,288,383  $63,845,068  $8,472,648  $141,606,099

**NET ASSETS - End of year**

$79,936,617  $62,343,762  $9,209,280  $151,489,659

Due to a printing error, last year’s Annual Report displayed an incorrect number for end of year net assets. It has been corrected in this report.
STATEMENT OF ACTIVITIES (continued)
For the Twelve Months Ending September 30, 2007

How Funds Are Used
$42,800,000

Community Relations 27% $11.6 million
International Programs 28% $12.4 million
Peace Education 21% $9.0 million
Special Programs 7% $2.9 million
Domestic Programs

Sources of Income
$42,500,000

Contributions 58% $24.7 million
Bequests 31% $13.1 million
Investment Income 9% $3.7 million
Other Income 2% $1.0 million
Fundraising 9% $3.7 million
We invite you to join in “Spirited Engagement” to ensure that our work for peace, justice, and human dignity will give practical assistance and hope in the United States and abroad – now and for generations to come.

The Spirited Engagement campaign seeks a total of $200 million in contributions to support programs of the American Friends Service Committee. This goal includes $15 million in special gifts to build the organization’s endowment (including a Stephen Cary Leadership Fund) and $15 million to strengthen and expand two goals of AFSC’s strategic plan: Peacebuilding & Conflict Resolution and Human Rights for Immigrants & Displaced People.