2000 Annual Report
**Vision.** AARP excels as a dynamic presence in every community, shaping and enriching the experience of aging for each member and for society.

**Mission.** AARP is a nonprofit membership organization of persons 50 and older dedicated to addressing their needs and interests. We seek through education, advocacy, and service to enhance the quality of life for all by promoting independence, dignity, and purpose.

**Promise.** With its great resources and strength, AARP helps me make my own choices, reach my goals and dreams, and make the most of my life after 50.

S

Sometimes a change that’s been taking place gradually is suddenly revealed. When the drapes fell from AARP’s headquarters building in October 2000, unveiling the faces of AARP’s bold new outreach campaign, they also revealed a dawning reality about the 50+ population; that, over the years, its character has changed, with good health and an active lifestyle extending decades longer.

Those falling drapes also revealed a new AARP. We took tremendous strides in 2000 to change and grow so we can better serve our evolving constituency. And, with our new theme “Your Choice, Your Voice, Your Attitude,” we worked hard to ensure that the public’s image of AARP, as well as that of its members, is as dynamic, vital, and caring as the reality.

Among many new initiatives we launched in 2000, perhaps the most emblematic of today’s AARP is our new magazine, My Generation, which debuted in January 2001. It serves members in their first years after 50, a decade of many changes in people’s lives. AARP recognized that the information and other needs of baby boomers were largely going unfulfilled, and My Generation became a first step in reaching out specifically to them.
We broke the mold in other ways as well. Our unprecedented election efforts—including the AARP Voter Express bus and sponsorship of the presidential and vice presidential debates—helped place the issues of Social Security, Medicare, and prescription drug coverage front and center in both parties’ platforms. Our efforts to prevent telemarketing fraud were rewarded with legislative or regulatory victories in over 20 states. We offered more publications and services than ever in Spanish and other languages. We added new discount opportunities for members, such as Gateway Computers and DirecTV. And we moved closer to our goal of having an AARP office in all 50 states (as well as the District of Columbia, Puerto Rico, and the Virgin Islands), which will help us reach out to our members and be a more effective advocate for them.

Activities that people have long identified with AARP also thrived. We worked with members of Congress for successful reauthorization of the Older Americans Act, which helps bring millions of Americans proper nourishment, protection against abuse, employment training, and other services. We laid the groundwork for a redesigned and updated Modern Maturity. And our 55 ALIVE Driver Safety Program graduated nearly 600,000 drivers.

“Your Choice, Your Voice, Your Attitude” isn’t just a new theme for AARP. It’s a salute to all people 50 and over—a celebration of the tremendous vitality, variety, and diversity of their lives. These pages will give you some idea of the myriad ways, old and new, that AARP continued its tradition of serving them in 2000.
There have been plenty of challenges as I’ve gotten older, but I’ve been able to meet them head on. In fact, I’m still having a lot of fun. AARP has been a big help, with information and other assistance just when I needed it.”

— Jane, Clearwater, FL
Live a healthy life!

What's more essential than good health? Health and wellness programs from today's AARP serve the needs and interests of over 34 million members. Information, education, advocacy, and community programs address the full spectrum of their health issues.

Shape up.
Americans 50 and over are more interested than ever in living a healthy lifestyle and staying fit. They get the information and inspiration they need at events like the AARP-sponsored 5K run in Austin, Texas. When they're back home, AARP is there to answer their health questions, with our extensive Web site and many publications (including four new award-winning booklets specially designed for baby boomers, that cover everything from fitness tips to safe sex information). And they get discounts on eye exams through AARP Vision Source (saving an average of $100 per purchase) and on prescription drugs through the AARP Pharmacy Service.

Health care for those who need it.
Millions of members depend on AARP Health Care Options for quality health insurance products and caring, personal service. Last year, we worked with the Medicare supplement insurance underwriters, United HealthCare, to make Medigap insurance more affordable. (Medigap insurance covers health care costs not covered by Medicare.) Premium rate increases were kept low, criteria for acceptance into the plans covering prescription drugs were liberalized, and the number of our members enrolled in AARP Medicare supplement plans increased to about 2.2 million. And for the many people in search of health care because their HMOs have left Medicare, we published What To Do If Your Medicare Managed Care Plan Leaves, in both English and Spanish.

Finding answers to aging's questions.
Can't sleep? Insomnia is a common condition for people over 50, and it's one of the problems research funded by the AARP Andrus Foundation looked into in 2000. For 32 years, the foundation has been on a quest to make people's lives better by examining issues like chronic health conditions and how to maintain independent living, then working to apply the results to day-to-day life.

Making prescription drugs affordable.
AARP successfully helped enact legislation in several states to expand prescription drug programs for older people last year. In Indiana, AARP support was critical in enacting a bill allocating the tobacco settlement money in which one of the provisions creates a prescription drug program.
People over 50 are taking charge of their financial lives. Baby boomers particularly want to get the best tools and information available, so they can make the best decisions. Many people are working past 65 and exploring second careers. AARP is on their side, helping them reach their financial goals.

Making investments pay off.
The AARP Investment Program from Scudder Investments helps members be ready for whatever opportunities lie ahead. In 2000, the program expanded its fund selection from 16 to 40 and offered more tools on its Web site, including a huge financial library and decision-making calculators. AARP also made available to members new discounts on Kiplinger Financial Publications, Quicken Software, and TurboTax. And it introduced “Women It’s Time,” with financial programs and information specially designed for moderate-income women in their 50s.

Working for workers.
The working world is changing, with careers becoming more fluid and new technologies entering every office and factory. AARP Worklink helps 50+ workers meet the challenges and find the opportunities in this brave new world. Our enhanced Working Options Web site and new publications such as Staying Competitive by Embracing Technology provide information for women entering the job market for the first time or people suffering from career burnout. And AARP is helping them get and keep the jobs they deserve by fighting age discrimination through the courts, legislatures, and public opinion.

Money dreams and realities.
Good public policies depend on good information. An AARP/Modern Maturity survey last year took a look at families and money, and painted a picture of an optimistic and practical nation. People said they want to be millionaires because they value the ways money can benefit their families and others they care about, yet they ranked wealth low in importance compared to strong family relationships and having an interesting job. A study funded by the AARP Andrus Foundation asked low-income workers about their retirement savings—and came up with some troubling results about their ability to set money aside. And research sponsored by the National Retired Teachers Association (a division of AARP) helped public employees, particularly retired educators, compare their potential retirement benefits and access to retirement health care. Ultimately, the research should help identify educational and policy strategies that can help people plan a secure retirement.
Find the right resources!

**Protecting consumers.** AARP is the worst enemy of fraudulent telemarketers, lenders, and Medicare providers. We teach people to recognize a questionable telemarketing call, so they hang up instead of sending a check. We fight predatory lenders—who pressure people into getting risky high-interest loans using their homes as collateral—in the courts and legislatures. And, through the AARP Foundation, we enlist the aid of Medicare beneficiaries, helping them spot unscrupulous providers to help keep the costs of Medicare down.

AARP also works to keep utility costs fair, especially in states undergoing electric utility restructuring.

**Benefits, jobs, and a little help with your taxes.** Many older people are unaware of federal programs that can help them pay for basic living expenses, medical care, and food. Through our Public Benefits Outreach program, last year AARP helped thousands of people apply for the government programs to which they’re entitled. And the AARP Foundation’s Senior Community Service Employment Program, funded by the U.S. Department of Labor, helped low-income job seekers 55 and older gain work experience so they could move on to permanent jobs, resulting in over 8 million hours of community service in the process. In addition, over 1.6 million people got free help preparing their taxes last year from AARP Tax-Aide volunteers (funded by a grant from the IRS and administered through the AARP Foundation). Many of those served—who are primarily low- and middle-income or over age 60—would have had great difficulty preparing their own returns.

Protecting consumers and defending people’s financial security have long been AARP hallmarks. The Association stands beside people whether they’re fighting unscrupulous lenders, navigating a maze of government programs, or helping to expose a fraudulent Medicare provider.
The years after 50 can be a wild ride, with life changes coming fast and furious. AARP can’t take all the potholes out of the road, but each day its programs make the ride a little smoother for many thousands of people.

Answers to life’s problems, small and large.
Whether it’s finding a summer camp for a child or grandchild, selecting a retirement community, or locating a local support group for a parent living with a chronic medical condition, AARP LifeAnswers can help. It’s a resource and referral service that provides information and professional consultation on caregiving, working, retirement, education, and other concerns of adult life. In 2000, AARP also launched the For Grandparents Web site. It has lots of information for people who take care of their grandchildren, either on occasional visits or as primary caregivers.

Facing the tough changes. Some of life’s changes after 50 are tough—like physical changes that make driving more of a challenge. But AARP’s 55 ALIVE Driver Safety Program helps keep older drivers safely on the road. In 2000, there were more than 586,000 graduates from over 29,000 classes—with more students than ever taking the course in Spanish or with the help of sign language interpreters. More difficult yet is the death of a loved one. Through AARP Grief and Loss Programs, trained volunteers last year helped more than 500,000 people rebuild their lives. Like 55 ALIVE, Grief and Loss Programs are focusing on a multicultural perspective; in 2000 they published Soledad, a Spanish-language guide for those recently widowed.

Declare independence. Thousands of AARP chapter members across the country took hammer in hand during Independent Living Week 2000, helping neighbors make minor improvements to their homes that will allow them to remain independent as long as is practical. People turned to AARP the rest of the year as well, for independent living assistance from AARP-sponsored chapters and information from the Association’s extensive library of resources. And AARP’s material on “universal design” is giving individuals and builders information they need to make homes more livable for people of all ages.

Choosing long-term care. AARP is the nation’s leading advocate for people in long-term care, with research and legal and legislative initiatives that continually improve the quality of care. Our resources for older people and their families dealing with assisted living facilities and nursing homes grew last year with the addition of Navigating Your Way to a Quality Assisted Living Facility, Choosing Good Care: A Family Guide to Finding a Nursing Home, and more.
“I sleep better at night knowing that AARP is looking out for me and for all older Americans, both in Washington and in our state capitol.”
— Glyn, Ocala, FL

As individuals, our voices may have little impact. But when we speak together, our voice is strong.

We’re working hard to be heard in every corner of America and around the world.
AARP launched the most aggressive, comprehensive voter education effort in our history last year. In communities across the country, on the Web, at candidate forums and debates, and in classrooms, AARP gave people the information they needed on the issues and encouraged them to get out and vote.

**AARP Voter Express, in a city near you.** AARP’s Voter Express bus tour rallied voters across the country—the first time the Association has mounted such a vast grassroots undertaking. From the Republican National Convention in Philadelphia to the Democratic National Convention in Los Angeles, people gathered at 75 events in 36 states where they received nonpartisan voting information and got the facts on AARP’s four main election issues—Social Security, Medicare, consumer protections in managed care, and long-term care. Along the way hundreds of thousands of people signed pledge cards supporting a prescription drug benefit in Medicare.

**The facts.** AARP’s members were looking for the straight facts on issues that concern them, so they could make decisions about the best candidates. AARP answered last year by distributing over 20 million nonpartisan voters guides and creating Election 2000 on AARP Webplace, with guides, transcripts from candidate forums, and voter registration information. The Association also sponsored a series of presidential candidate forums during the primaries, including one in Iowa featuring former Senator Bill Bradley and in South Carolina with Senator John McCain, and sponsored the presidential and vice-presidential debates.

**Partnerships that got out the vote.** To help foster a sense of civic involvement in future voters and their parents, AARP partnered with Scholastic and Washington Week (formerly Washington Week in Review) to sponsor Student Vote 2000. The program included a curriculum and special Webcasts, and culminated in online mock elections for over 2 million junior high and high school students. AARP also joined with MCI and America Online to create BeAVoter.org, an online voter registration site, and sponsored a student get-out-the-vote phone bank.
Make yourself heard!

In Washington and in the states, in legislative chambers and courtrooms, AARP consistently speaks out for older Americans. We scored some major victories last year—victories that will improve the lives of millions.

**Older Americans Act, reauthorized.** After a five-year lapse, the Older Americans Act was reauthorized last year. With its passage, funds continue to flow to programs that help provide senior centers, Meals on Wheels, senior transportation, and employment services for older Americans in hundreds of communities around the country. AARP, working with several organizations, was instrumental in gaining its reauthorization.

**Earnings limit, repealed.** Legislation supported by AARP in 2000 repealed the earnings limit that had applied to beneficiaries ages 65 through 69. As a result, hundreds of thousands of people in that age group will no longer lose some of their Social Security benefits if they choose to continue working.

**State successes.** Some of the most important legislative advances for older people come about one state at a time. With its increasing state presence and broad expertise, AARP gained victories on a number of issues. Examples: comprehensive nursing home reform in California; major expansions of low-income prescription drug coverage programs in Illinois, New York, and Massachusetts; significantly increased funding for home and community-based long-term care services in Tennessee; and increased protections for managed care patients, utility consumers, and telemarketing fraud victims in a number of states. Many other legislative successes were achieved in cooperation with state retired educator associations, particularly in pension equity and “catch-up provisions” for those retired the longest.

**Fighting in the courts.** In 2000, AARP Foundation Litigation handled or filed briefs in cases with potentially profound effects on the 50+ population. We focused on areas such as health and long-term care, age and disability employment discrimination, pensions and other employee and retiree benefits, and consumer protections. For example, we filed amicus briefs in the Reeves v. Sanderson Plumbing Products, Inc. case, which resulted in a landmark Supreme Court decision simplifying what victims of age discrimination in the workplace must prove, and in Pegram v. Herdrich, which clarified people’s ability to sue HMOs for injuries caused by wrongfully withholding care.

**Earnings limit, repealed.** Legislation supported by AARP in 2000 repealed the earnings limit that had applied to beneficiaries ages 65 through 69. As a result, hundreds of thousands of people in that age group will no longer lose some of their Social Security benefits if they choose to continue working.

**State successes.** Some of the most important legislative advances for older people come about one state at a time. With its increasing state presence and broad expertise, AARP gained victories on a number of issues. Examples: comprehensive nursing home reform in California; major expansions of low-income prescription drug coverage programs in Illinois, New York, and Massachusetts; significantly increased funding for home and community-based long-term care services in Tennessee; and increased protections for managed care patients, utility consumers, and telemarketing fraud victims in a number of states. Many other legislative successes were achieved in cooperation with state retired educator associations, particularly in pension equity and “catch-up provisions” for those retired the longest.

**Fighting in the courts.** In 2000, AARP Foundation Litigation handled or filed briefs in cases with potentially profound effects on the 50+ population. We focused on areas such as health and long-term care, age and disability employment discrimination, pensions and other employee and retiree benefits, and consumer protections. For example, we filed amicus briefs in the Reeves v. Sanderson Plumbing Products, Inc. case, which resulted in a landmark Supreme Court decision simplifying what victims of age discrimination in the workplace must prove, and in Pegram v. Herdrich, which clarified people’s ability to sue HMOs for injuries caused by wrongfully withholding care.
AARP is energizing its volunteers, exercising its legislative clout on the state level, and having more direct contact with individual members than ever before. We’re now opening offices in every state. And that’s just one way we’re reaching out—to volunteers and members, to the public, and around the world.

Closer to our members. AARP is literally getting closer to our members by opening offices in all 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands. It’s a huge undertaking, but it will place AARP in our members’ back yards, and make us more responsive to their needs and a more effective advocate for them at the state level. By the end of 2001, every state office will be open for business.

Cutting through.
The AARP Bulletin is dedicated to keeping members up-to-date on issues important to them. It proved that in 2000, with articles that cut through election year rhetoric and provided balanced coverage and analysis of candidates’ positions so that readers could judge for themselves how the words would translate into policy. The monthly newspaper included interviews with both Al Gore and George W. Bush.

The source. AARP is the source people turn to for authoritative information on the 50+ population. Our research—which extends to people of all ages—helps form the basis for our own programs and policies, as well as those of government and other organizations. Just two examples from 2000: A study by AARP’s Public Policy Institute examined the impact of increasing the eligibility age for Social Security and Medicare. The first comprehensive survey of learners in their middle and later years, commissioned by AARP and supported by our National Retired Teachers Association division, found that they preferred learning that focuses on keeping up with what’s going on in the world and on personal development.

AARP over the airwaves.
Prime Time Radio, AARP’s weekly interview program, focuses on the interests of people 40 and older and is aired on over 70 stations. Our Mature Focus Radio, one of the most popular daily series in the country, offers brief discussions of interest to the 40+ audience. In 2000, AARP also became cosponsor of the PBS program Washington Week (formerly Washington Week in Review) and worked with the show’s producers on joint activities.

A global impact. AARP International Activities raises awareness of the contributions and needs of older people around the world. In 2000, we continued our work with United Nations organizations and in developing the Partnership for an Aging Society—a network of over 3,000 aging organizations.
It's the schmoozing and the camaraderie that I really love. It's a little 24-hour adventure.

— Joyce, member of an AARP-sponsored relay team, Portland, OR

Life is as full and exciting as you make it, at any age. Whether you're lending a helping hand or dancing the night away, there are lots of opportunities to let your spirit shine through.
Have
more fun!

Get up and dance. Learn something new. Catch a show. AARP is expanding and updating its offerings for members that make life more interesting, more fun, and more rewarding.

It's never too late to become a nerd.
The number of 50+ people with computer savvy grows every day, so AARP offered our members discounts from Gateway on computer hardware and training in 2000. Several local AARP-sponsored chapters also offered computer training, and AARP Webplace continued to enlarge its section on computers and technology.

LA's first “Golden Afternoon.” AARP members and their families danced to Latin favorites at the organization’s first Los Angeles Tarde de Oro. For several years, “Golden Afternoons” have been a hit in other cities, including Santa Fe, San Juan, and New York City. Celebrating Hispanic and Latino culture, the community events feature health screenings, information booths, food, and music.

Run off and join (or at least watch) the circus. New discounts introduced last year included Genealogy.com, DirecTV (satellite television systems), Ringling Bros. and Barnum & Bailey Circus, and Disney on Ice. Members can find and use the broad array of benefits available more easily because of the AARP Privileges booklet, introduced in 2000. Or, through My AARP on AARP Webplace, they can create a profile that generates a personal homepage highlighting topics and services of interest. Automatic updates keep the information current.

Motown and more.
AARP members danced the night (or day) away in cities across the country last year. Hundreds gathered for grilled hot dogs and cool music at the end-of-summer Stone Soul Picnic in downtown Washington, DC, cosponsored by AARP. Motown was the sound at September’s AARP Motor City Record Revue in Detroit. In October, the scene was Cleveland’s Rock and Roll Hall of Fame, and in November it was back in Washington for a hand dancing party.

Take me out to the ballgame... and ski slope... and track...
AARP celebrated the challenges and rewards of lifelong fitness by sponsoring the 2000 National USA Masters Track and Field Championships, open to athletes age 30 and over. We also sponsored the Silver Streakers, 12 energetic over-50 runners, in the 126-mile Hood-to-Coast relay race from Mount Hood to Portland, Oregon. When the weather was too cold for running, members took ski trips to places like Pico Mountain in Killington, Vermont. And for those who prefer to admire the athleticism of others, AARP sponsored Days at the Ballpark in a number of cities, where members gathered to watch pro baseball.
For AARP, 2000 was a year to show the world a new attitude of our own. Just as we’ve met the needs of preceding generations over the past 42 years, we’re reaching out to baby boomers with new offerings and revitalizing long-standing programs.

**Boom, babies! It’s My Generation.**

AARP announced the launch of My Generation in 2000, the first magazine specifically addressing the interests of America’s 76 million baby boomers. It was the largest magazine launch ever, initially reaching 3.1 million households. Topics range from health and longevity to volunteerism and entertainment, from work and family to food and sexuality. Members 50 to 55 are receiving the new publication.

**Refitting the flagship.** In all the areas AARP helps its members—health, finance, and so on—Modern Maturity plays a major role. A prime information source for members for over 40 years, the nation’s largest-circulation magazine received a facelift and new editorial format in 2000 (with the new look appearing in early 2001). The updates make it more relevant and reader-friendly.

Today’s AARP began an unprecedented outreach campaign in 2000 aimed at nothing less than changing what the world knows about us and our members. We kicked off the campaign by displaying on our headquarters the biggest-ever building wrap in Washington, DC, displaying faces of AARP members that reflect the active, diverse 50+ population. People nationwide soon became familiar with them from advertisements in The New Yorker, Newsweek, Time, USA Today, Ebony, Hispanic, and on CNN and NBC’s Today Show.

Celebrate! At the “AARP Celebrates 2000” event in Orlando, more than 20,000 people heard a star lineup of speakers including former Vice President Al Gore and poet Maya Angelou, and saw the latest products and technologies to make their lives better. The event also introduced our new logo.
Helping out America’s youth.
AARP’s commitment to work for the welfare of people of all ages is reflected in the National Retired Teachers Association’s With Our Youth! Project. Since the program’s inception in 1998, members in 1,000 communities have devoted over 5 million volunteer service hours to work with about 1 million young people. For example, the Manhattan, Kansas, local retired teachers association partnered with a community center, parents, and Kansas State University to expand the K-12 after-school program, last year providing a learning boost to 65 children.

Volunteering gets easier.
AARP Connections is the Association’s newsletter especially written for our thousands of volunteers. In 2000, for the first time, state versions of AARP Connections became available to volunteers in all 50 states, as well as the District of Columbia, the Virgin Islands, and Puerto Rico (where it’s in Spanish). In addition, AARP Webplace now offers “The Volunteer Experience,” filled with volunteer opportunities and information.

Making the world better, one nail at a time. AARP depends on the efforts of our hard-working volunteers. Individually and through the 3,500 AARP-sponsored chapters, they contribute thousands of hours to community projects. For example, Arizona AARP volunteers spent a week in a remote corner of their state repairing homes on a Navajo reservation last summer. Chapters near East St. Louis, Illinois, reached out to bring helpful programs to the city’s impoverished neighborhoods. And in Virginia, volunteers helped install computers in a nursing home that allow residents to keep in touch with the outside world.
Through AARP-sponsored chapters, community organizations, and individually, thousands of volunteers go out into their communities, doing what needs to be done and serving the people who need a helping hand. They share with others not only their time, but their belief that even if they can't change the world, they can certainly improve their corner of it. We can't list all of them, or even list all of the great endeavors taken on by those we've included, but here's a sampling.

Gilbert Martinez (Albuquerque, NM), former commanding officer of Kirtland Air Force Base, drives through the ice and snow of the northern New Mexico mountains to lobby in Santa Fe for legislation important to older people. He's been especially active in seeking fairness in electricity and telephone deregulation.

Betty Jo McKenzie (Montgomery, TX) has spearheaded fundraising efforts leading to aid for a burn victim, a Kosovo relief fund, an annual scholarship for local high school students, and a proposed city park.

Marie Foster (Roanoke, VA) is a crime-fighter. She organized a local Triad program, bringing law enforcement and citizens together to make the community safer for older people, and hosts workshops that alert people about consumer fraud.

Earl "Skip" Twietmeyer (Portland, OR), a leader for community and personal enrichment events, put over 500 hours into planning the local Hood-to-Coast relay race last year. He's also secured funding and support for civic projects including a children's museum.

Herb Wood (Washington, DC) has a knack for tapping people's talents and experience and matching them with volunteer opportunities. Working with the AARP Volunteer Referral Center for 11 years, he's placed hundreds of individuals with organizations that needed their help.

Leila Burney (Detroit, MI) is a women's issues specialist and spokesperson. She travels widely, raising awareness of issues affecting older women, such as economic security, grief and loss, caregiving, and pension rights.

Helene Grey Kirschner (New York, NY) helps baby boomers see into the future through her work on "Boomers, It's Time." This series of mini-seminars held at corporations provides financial information for midlife employees.
The year 2000 was a great time to become President of AARP, as you can see by the accomplishments described on these pages. And 2001 is hardly a letdown. The promise of 2000 is being delivered in 2001 through a number of new initiatives.

We've launched My Generation magazine and opened more state offices. We're introducing AARP's signature fitness events (Tri-Umph! Classic 50+ swim.bike.run) and will launch an immunization campaign to make members more aware of the importance of getting a flu shot. The "Grandma Moses in the 21st Century" tour we sponsored is traveling the country, demonstrating that creativity is for people of all ages. On the legislative front, we're continuing our fight for a prescription drug benefit in Medicare and campaign finance reform. We've released a major research study on the state of the 50+ population. We're opening an office in every state and reviewing our volunteer structure to meet the changing needs of our membership. I personally will be speaking out on two topics of special concern to me—women's and long-term care issues.

I sometimes wonder what AARP's founder, Dr. Ethel Percy Andrus, would say if she could see all that's new at the Association. I think she'd approve. She once said, "The essential values will never change—only our adaptation of them and to them." And that's still true—today's AARP is finding new ways to apply the values it has always held in today's America.

Tess Canja, of Port Charlotte, FL, was elected President of AARP in 2000. She was instrumental in establishing a Department of Elder Affairs in Florida and received gubernatorial appointments to the Michigan State Health Coordinating Council and the Florida Long-term Care Ombudsman Council. She was a founding member of Quality Care Advocates, which helps residents and families in long-term care facilities. Mrs. Canja also serves on the Board Governance Committee and the National Leadership Conference Planning Committee.
The AARP Board of Directors, comprised of 21 volunteer members, sets the policy and agenda of the Association. It governs on behalf of the members and determines appropriate organizational performance, including fulfilling the mission of the organization, determining its future direction, and assuring its fiscal health.
Mary Jane O’Gara
of Omaha, NE, was AARP state president of Nebraska and a member of AARP’s National Legislative Council. Formerly assistant director of public relations for Omaha Public Schools, she also was a member of the American Diabetes Association Board and president of the Nebraska School Public Relations Association. Mrs. O’Gara currently chairs the Board Retreat Committee and is a member of the Board Governance Committee and the AARP Andrus Foundation Board of Trustees.

Erik D. Olsen
of Mesa, AZ, was AARP state president of Arizona and chair of the State Leadership Council. He serves on the corporate boards of Delta Dental Plan of California and Delta Dental Insurance Company. He retired as president and CEO of Delta Dental Plan of CA. Dr. Olsen twice served as chair of the National Leadership Conference Planning Committee and serves on the Board Governance Committee and the AARP Insurance Trust of the Health Care Options Program.

James G. Parkel
President-Elect
of New Fairfield, CT, will become President in 2002. He serves on the board of the Danbury Hospital, and was president and CEO of Junior Achievement International. Mr. Parkel spent 32 years in executive management with IBM. He chairs the AARP Andrus Foundation Board and is on the Board Audit and Finance Committee, the National Leadership Conference Planning Committee, and the board of councilors of the Ethel Percy Andrus Gerontology Center.

Joseph S. Perkins
Immediate Past President
of Peabody, MA, served as President from 1998 to 2000. He served on numerous boards including the national board of directors of the Alzheimer’s Association. Mr. Perkins was a founding member of the Board of Advisors for the National Center on Women and Aging and the New England Retirement Planners Council. He serves on the AARP Foundation Board and the Board Committee on Membership and Member Services.

Otto H. Schultz
of Madison, WI, was AARP’s Wisconsin state liaison for retired educators. Prior to retirement, he was the district administrator of the Mishicot, WI, schools for 37 years and was recognized by having a school named in his honor. He was president of the Wisconsin Retired Educators Association and board member of a County Domestic Violence Center. Mr. Schultz chairs the AARP Insurance Trust of the Health Care Options Program and serves on the AARP National Nominating Committee.

Betty J. Severyn
of Chattanooga, TN, was the AARP southeast regional volunteer director, a Health Care Reform spokesperson, and state director for Health Advocacy Services. She previously served on the Tennessee Commission on Aging, the Tennessee Board of Nursing, and the board of the Chattanooga Area Mental Health Association. She is vice chair of the AARP Insurance Trust of the Health Care Options Program, and a member of the AARP Foundation Board and the Board Governance Committee.

The Reverend Kenneth B. Smith, Sr.
of Chicago, IL, has been involved in the civic life of the city of Chicago and was president of the Chicago Board of Education, treasurer of the United Way of Chicago, and trustee of DePaul University. Seven colleges and universities have awarded him honorary degrees. Dr. Smith has been a minister in the United Church of Christ since 1960. He serves on the Board Committee on Membership and Member Services, the AARP Andrus Foundation Board of Trustees and the National Bylaws Revision Committee.

Marie F. Smith
of Kahakuloa, HI, was chair of the AARP National Legislative Council and an AARP Women’s Initiative Program Spokesperson. She was a member of the Office on Aging Advisory Board and was appointed Commissioner on the Status of Women by the governor of Hawaii. Mrs. Smith held several managerial positions in the Office of Social Security Administration. She is a member of the Board Audit and Finance Committee and treasurer of the AARP Foundation Board of Directors.

Virginia L. Tierney
of Quincy, MA, served as the AARP Area Vice President in the Northeastern Region and was state director for Massachusetts. She is on the Governor’s Advisory Council on Alzheimer’s Disease and was Speaker of the House of the Silver-Haired Legislature and a member of a state Special Commission on Ethics. She serves on the AARP Andrus Foundation Board and the AARP Insurance Trust of the Health Care Options Program.

Arnulfo T. “Art” Zamora
of Denver, CO, was on the AARP State Legislative Committee’s Capital City Task Force. He is a member of the state and National Epilepsy Foundation Boards and the President’s Committee on Employment of People with Disabilities. He also is on the board of the Colorado Latin American Research and Service Agency (LARASA). Mr. Zamora serves on the Board Committee on Membership and Member Services and the AARP Andrus Foundation Board of Trustees.
AARP Executive Leadership

Horace B. Deets
Executive Director

Seated, left to right:

Mary Ann Riesenber
Director, Audit and Advisory Services

William D. Novelli
Associate Executive Director, Public Affairs

Dawn Sweeney
Associate Executive Director, Membership

Standing, left to right:

Richard Henry
Associate Executive Director, Operations

Joan Wise
General Counsel

Thomas C. Nelson
Associate Executive Director, Field Operations

Cheryl Cooper
Chief of Staff

Steven Zaleznick
Chief Executive Officer, AARP Services, Inc.

Audit and Advisory Services. Audit and Advisory Services provides assurance and consulting services designed to add value and improve AARP's operations. It accomplishes this by evaluating the effectiveness and efficiency of operations; the reliability of financial reporting; and compliance with applicable laws and regulations.

Field Operations. Field Operations reaches and involves AARP members by working with volunteer and staff leaders to carry out AARP's mission in states and communities. In addition to establishing and supporting AARP's state offices, it directs AARP community service activities.

General Counsel. The Office of General Counsel represents the Association's interests in legal matters in order to protect AARP's image, name, programs, and services. It also anticipates and addresses legal issues to prevent legal problems from arising, by working closely with staff and volunteers as new programs and projects are developed.

Membership. Membership leads AARP in creating a valuable experience for current and prospective members. It provides the knowledge, resources, and issue expertise to enrich the quality of members' daily lives in the areas of health, economic security, independent living, consumer protection, and personal enrichment.

Office of the Executive Director. The Office of the Executive Director implements Board of Directors policies and directs and administers AARP's activities. It supervises and coordinates volunteers, staff, and financial resources, and provides support for the Board of Directors.

Operations. Operations provides an infrastructure of management services, resources, and systems for AARP staff and volunteers to conduct Association business. Operations includes financial planning and management, human resources, administrative services, and information technology support.

Public Affairs. Public Affairs conducts and analyzes policy research and undertakes public policy advocacy. It also publishes Modern Maturity, My Generation, and the AARP Bulletin. Other Public Affairs activities include AARP's branding campaign, communications, international activities, and outreach to corporations, nonprofits, and others.
Financials

Summary of 1999 - 2000 Consolidated Financial Statements

AARP’s 2000 consolidated financial statements report a strong financial position. The financial statements were audited by our independent accountants, Arthur Andersen LLP, who expressed an unqualified, or “clean,” opinion on these statements. Operating results yielded a surplus of $21.6 million for calendar year 2000. This surplus was principally the result of more than expected investment income for the year due to higher than anticipated coupon returns and gains in the market.

Expenses reflect activities in 2000, during which AARP initiated several important programs to better serve our members: we laid the groundwork for My Generation magazine and redesigned Modern Maturity; we provided services for a growing membership, which increased to over 34 million; we improved and enhanced AARP Webplace; and we continued internal restructuring and building our presence at the state level to enable us to be more responsive to our members’ needs.

Where did the money to support all our activities—including those that are community based—come from, and exactly how was it spent?

Revenue. Our total revenue in 2000 was $580 million, up approximately 20% from 1999. As it should be, membership dues of $145 million was our single largest source of revenue, followed by $106 million from royalties and other programs and $98 million from AARP Health Care Options.

Expenses. Now let’s look at the cost of providing member benefits and services. The illustration shows that our publications—Modern Maturity and the AARP Bulletin—cost $140 million to produce and distribute to our members. Advertising revenues help defray these costs. Both Modern Maturity, published six times annually, and the AARP Bulletin, published 11 times annually, go to nearly 22 million households.

AARP continues to invest in community educational and member service activities. Our three largest programs are AARP 55 ALIVE Driver Safety Program, AARP Tax-Aide Program, and the AARP Senior Community Service Employment Program. The 55 ALIVE Program provides driver education to older drivers, which makes them safer behind the wheel and can significantly lower their automobile insurance rates. There were close to 600,000 program graduates in 2000. Tax-Aide provides free tax return preparation primarily for low- and middle-income people and those over age 60. It is administered by the AARP Foundation in conjunction with a grant from the IRS. Tax-Aide broke its own record by assisting more than 1,644,000 people during the 2000 tax season. Tax-Aide is staffed by more than 30,000 AARP volunteers and is our single largest volunteer-based program.

In conjunction with the Department of Labor, the AARP Foundation operates the AARP Senior Community Service Employment Program (SCSEP), a program designed to train and transition low-income older persons into paid employment. AARP’s SCSEP program had a 51% placement rate in 2000, the highest of all national sponsors. There are 102 AARP-sponsored sites in 33 states and Puerto Rico. In 2000, the program’s participants provided nearly eight million hours of community service in their temporary assignments as they prepared for employment.

As the illustration shows, federal grant and other program expenses of $78 million represent expenses of the AARP Foundation funded by federal grants and third party contributions, and supplemented by AARP contributions.

Programs and field services expenditures of $110 million support 55 ALIVE, the telemarketing fraud program, member education, community presence, volunteer coordination, and other programs.

AARP’s advocacy and research expenses total $56 million, or about 10% of total annual expenses. Major advocacy efforts include preserving Social Security; enhancing Medicare (including establishing prescription drug coverage); ensuring the quality and availability of long-term care; and preserving pension rights. Research supports advocacy and member services and provides information on important trends and member needs.

Member services and acquisition amounted to $98 million. Our growing membership strengthens AARP’s advocacy and research efforts.

In 2000, $76 million was expended for supporting activities, including expenses for human resources, information technology, and financial, legal, and audit services.

AARP anticipates making additional investments in our state capacity project in 2001, as we move to expand into all 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands. This investment, which will reduce our available reserve, will enable AARP to achieve its vision of excelling as a dynamic presence in every community.

Horace B. Deets
Executive Director

For a complete copy of the Association’s 1999-2000 financial statements, go to www.aarp.org/ar, call 1-800-424-3410, or write to AARP, 601 E St., NW, Washington, DC 20049.
**About AARP**

**AARP** is a nonprofit, nonpartisan membership organization for people 50 and over. We provide information and resources; advocate on legislative, consumer, and legal issues; assist members to serve their communities; and offer a wide range of unique benefits, special products, and services for our members. These benefits include AARP Webplace at www.aarp.org, Modern Maturity and My Generation magazines, and the monthly AARP Bulletin. Active in every U.S. state and territory, AARP celebrates the attitude that age isn’t just a number—it’s about how you live your life.

**AARP Andrus Foundation**, established in 1968 as a memorial to AARP founder Dr. Ethel Percy Andrus, is a 501(c)(3) charitable and educational organization affiliated with AARP. The mission of the Foundation is to enhance the lives of older persons through research. Tax-deductible contributions support efforts to help individuals maintain independence throughout life. The Foundation accomplishes this work through aging research, educational initiatives, and public information programs with emphases on financial security and living with chronic health conditions. John Feather, Ph.D., is director of the Foundation.

**The AARP Foundation** is an affiliated, 501(c)(3) nonpartisan charitable organization, established in 1961. It administers publicly and privately funded programs, such as AARP Tax-Aide and the AARP Senior Community Service Employment Program. AARP Foundation Litigation attorneys are involved in court cases throughout the United States affecting the rights of people 50 and older. The Foundation also carries out the Washington, DC-based advocacy programs funded through Legal Counsel for the Elderly, Inc. These programs also receive support from AARP. The AARP Foundation is co-administered by Sue Miller and Wayne Moore.

**AARP Services, Incorporated (ASI)** is a wholly owned and independently operated subsidiary of AARP. It serves AARP’s 34 million members through a wide range of products and services, product management, marketing, and an enhanced Internet capability. Steven Zaleznick is the Chief Executive Officer.

**Acknowledgements**

**Photography**
- Michel Bakari, 21
- Linda Bartlett, 18, 20, 25
- Mark Garvin, 2, 15, 17
- John Harrington, 3, 27
- Blaise Hayward, 26
- John Henley/Stock Market, 6
- Suzy Hess, 23
- Image Producton Services, Inc., 5
- Edmund Keene Photographers, 22, 24-25, 25, 31
- Michael Keller/Stock Market, 5, 8-9
- Kathy Seward Mackay, 15, 16, 18-19, 28
- Jean Miele/Stock Market, 8
- Roy Morsch/Stock Market, 6-7
- Jose L. Pelaez, Inc./Stock Market, 9
- Raymond T. Rufo, 20
- Ariel Skelley/Stock Market, 12
- Dick Slease, 1, 3, 26-27
- Strauss/Curtis/Stock Market, 24
- Donald Vance, 28-29
- Davis Young Wolff/Stone, 30-31

Additional photos from Photodisc, Eyewire

**Photography Research**
- Corbis Stock Market, New York, NY
- Feldman and Associates, Chicago, IL

**Additional photography**
- Melanie Alden-Roberts, Tyrone Curtis, Ken Dean, Karen Deans, Janelle Haskell, Karen Kim, Lily Liu, Bob Martindale, Dipo Ogunrinde

**Writing, Editing, Design, and Production**
- AARP Creative Department
- AARP Editorial Management Department

**Printing**
- Cavanaugh Press

© 2001, AARP