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Welcome to the 2004 Annual Report of the American Psychological Association. During the past year, the association continued its mission of supporting the discipline of psychology and its application to society. One critical way the association supports the discipline is as a publisher and archivist of the psychological literature. Another is through its support for the pipeline of today’s psychology students into the discipline. Important initiatives in support of both of these functions were successfully completed in 2004.

During the past year, many programs designed to attract the best and brightest to psychology took place, including the Science Directorate’s Summer Science Institute for talented undergraduate students and the APA Minority Fellowship Program’s Psychology Summer Institute. Additionally, information on careers in psychology was distributed to high school students nationwide through APA’s Teachers of Psychology in Secondary Schools Committee.

Early career psychologists now comprise about 20% of the association’s membership. In response to this growing population and to the special challenges of building a career in today’s research or practice marketplace, APA has created a new standing committee on Early Career Psychologists. This six-person committee, composed of members in their first 7 years of full membership, will meet as part of the twice yearly consolidated meetings.

New Leadership for Science
Support for and leadership in psychological science continue to be of primary emphasis for the association. In April, we were pleased to welcome a new executive director for Science, Steven Breckler, PhD. Dr. Breckler came to APA from the National Science Foundation and brings with him two decades of experience as an administrator and in campus-based and Federal support and funding for psychological science research.

More Advances in Information Dissemination
APA is the world’s leading publisher of psychological research. We are proud of our ongoing commitment of service to all psychologists, psychology departments, and psychology students through product development and information dissemination. Toward that end, new information products released in 2004 included three new journals and a new database product.

APA’s Educational Publishing Foundation released new journals: Dreaming; Families, Systems, & Health; and Psychological Services. Also new last

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During the past year, many programs designed to attract the best and brightest to psychology took place, including the Science Directorate’s Summer Science Institute for talented undergraduate students and the APA Minority Fellowship Program’s Psychology Summer Institute.
The year 2004 was an exciting time for science at the American Psychological Association! In addition to building on our already successful programs, the directorate began planning for significant future activities. Steven Breckler, the new executive director for Science, arrived in April, giving the directorate new leadership to move forward on targeted initiatives to address issues of importance to psychological science.

The following highlight a few of the activities within the directorate’s large and active portfolio.

**Serving and Supporting Scientists Now**

Investigators at some universities and colleges have reported serious problems with their local Institutional Review Boards (IRBs). In some cases, research is being delayed or even halted because of shifts in how IRBs are interpreting federal regulations. In response to this continuing concern, the Science Directorate continues to develop support materials and training both for researchers and for IRBs. The directorate sponsored a workshop on the responsible conduct of research (spring 2004) and began planning soon after for an important workshop on the interpretation of minimal risk under the federal regulations. Activities such as this will help provide researchers with tools and knowledge to address this urgent set of problems.

The directorate invests significant resources in unique services for psychological scientists, graduate students, and undergraduate students. The Advanced Training Institutes (ATIs) offer weeklong intensive exposure to new technologies, techniques, or methods in psychology. ATI topic areas such as structural equation modeling and research using functional magnetic resonance imaging have attracted hundreds of scientists over the past several years. Many have used this knowledge to form new collaborations, submit grant applications in new areas, and publish more sophisticated research articles. The Science Directorate expects the ATIs to grow into an even more substantial program as the Board of Scientific Affairs approves more topic areas.

Our Summer Science Institute, held at Vanderbilt University in June, “graduated” its 316th student. This weeklong, intensive exposure to the science of psychology for talented undergraduate students has proven to be a career-changing experience. Many of the students we have hosted over the last 9 years have gone on to graduate study in psychology, and a number have completed their doctoral degrees. A new project, a program for Advanced Statistical Training in Psychology, is aimed at assisting students from underrepresented groups in psychological science to develop their knowledge of statistics. Our expectation is that they will be better prepared for a successful effort in graduate school, and, thus, successful careers in research.

Looking for and obtaining an academic position can be a daunting experience. The Science Directorate offers academic career workshops at several society meetings every year in an effort to demystify the job hunt for academic career-oriented scientists. These are nuts-and-bolts practical programs, giving advice on...
preparing application materials, preparing for the job talk, negotiating start-up terms, mentoring, and surviving the first years until tenure. In 2004, we sponsored these valuable workshops at several of the regional psychological associations, the Asian American Psychological Association, the National Latino/a Psychological Association, the Human Factors and Ergonomics Society, and the Society for Personality and Social Psychology. Hundreds of graduate students attended these workshops in 2004.

Advocating for Science

The science policy staff, all of whom are experienced and successful advocates for the science of psychology, spearheads the Science Directorate’s advocacy efforts. In response to national and international events during 2004, the staff arranged a number of important Capitol Hill briefings on such topics as “psychological science and Abu Ghraib,” “detecting deception,” and “public health implications of sexual health research.” APA places a high priority on supporting increased appropriations for research funding at both traditional and newer sources of support for psychology, and this bore fruit again in 2004 at the National Institutes of Health, National Science Foundation, and Department of Homeland Security.

In addition to advocating for psychology with Congress, the public policy staff spends considerable time keeping an eye on the federal research agencies that are important to psychology. For example, the reorganization at the National Institute of Mental Health occupied staff and many APA members’ time for most of 2004. The Department of Homeland Security (DHS) has become a focal point for psychological science, as one of the newest and most exciting opportunities for psychology to be brought to bear on societal concerns. Due in large part to APA efforts, psychology is at the table at DHS.

Planning for the Next Generation of Scientists

In 2004, the Science Directorate unveiled its new initiative, Psychological Science for the 21st Century (Psy21). Building on recent programs introduced by the Board of Scientific Affairs, APA programs will focus on three areas of emphasis: responsible conduct of research, enhancing the infrastructure for psychological science, and nurturing a culture of service to the discipline. Planning was well under way by the end of 2004, and the first year of Psy21 activities will culminate with a Science Leadership Conference in December 2005.

Psychology and Beyond

The Science Directorate continued to host the Decade of Behavior, a multidisciplinary initiative to call attention to the accomplishments of the behavioral and social sciences in addressing the nation’s health, safety, education, prosperity, and democracy. The Decade sponsored several lectures and research awards, and began development of more public education information.
The Practice Directorate engages in many diverse activities on behalf of practicing psychologists and consumers of psychological services. The directorate is supported by both APA and the APA Practice Organization, a companion organization created to enable greater professional advocacy for practitioners.

The Practice Organization took steps throughout 2004 to make practice easier for licensed psychologists who belong to APA. For example, a free biweekly electronic newsletter, PracticeUpdate, with information and news for licensed APA members who pay the annual Practice Assessment, was launched in January. The Practice Organization also produced The HIPAA Security Rule Primer, adding to the series of existing materials and products at www.APApractice.org that help practitioners comply with this intricate federal law.

Much of the directorate’s ongoing work spans four interrelated areas—legislative advocacy, legal and regulatory strategies, marketplace activities, and public education.

**Legislative Advocacy**

In meetings with 350 federal legislators and their staff members during the APA Practice Organization’s 2004 State Leadership Conference, psychology leaders called for their elected officials to end discrimination against mental health services coverage in insurance plans by enacting the Paul Wellstone Mental Health Equitable Treatment Act. Though the bill did not pass in 2004, grassroots psychologists helped convince 70 Senators and 249 Representatives to sign on as cosponsors.

With strong leadership from Senator Mike DeWine (R-Ohio) and Representative Ted Strickland (D-Ohio), the Practice Organization successfully supported passage of the Mentally Ill Offender Treatment and Crime Reduction Act. Building on the existing Mental Health Courts Program enacted 4 years earlier, the 2004 law authorizes a $50 million grant program for more mental health courts, treatment and jail diversion, and re-entry programs.

In another positive development, Congress expanded federal funding for prevention, health promotion, and disease-management programs. The Practice Directorate helped secure seed money in the 2005 federal appropriations bill for an innovative demonstration project at the Geisinger Medical Center and its 20 rural primary-care clinics in Pennsylvania. This collaborative care initiative supports the integration of mental health screening and treatment with primary medical care for older adults.

Further, the directorate succeeded in gaining the AMA Current Procedural Terminology (CPT) Editorial Panel’s approval of revised CPT codes for psychological testing and assessment. Effective in January 2006, an expanded set of codes will allow for more clearly establishing whether test administration is done by a psychologist, or instead by a technician or computer. As part of its ongoing advocacy, the Practice Directorate is now seeking higher reimbursement rates for these codes from Medicare.

**Legal and Regulatory Strategies**

The Practice Directorate continues to engage legal and regulatory strategies that challenge inappropriate managed
In December 2004, a federal judge in Miami gave preliminary approval to a settlement by CIGNA HealthCare in a nationwide class action suit brought against CIGNA and 12 other managed care companies. The settlement includes an $11.55 million fund for payment to "class members," comprised of psychologists and other nonphysician health professionals, as well as favorable policy changes by CIGNA. The APA Practice Organization became involved in settlement negotiations to press psychology’s unique concerns. Along with the Committee for the Advancement of Professional Practice, the Practice Directorate continued helping interested state psychological associations work toward achieving prescriptive authority (RxP) for qualified practitioners. This initiative made considerable strides in 2004 as two states took final steps toward implementing their RxP laws. Regulations to activate New Mexico’s prescribing law were filed in December and took effect the following month, around the same time that regulations to implement Louisiana’s RxP law were published.

**Marketplace Activities**

The directorate continued cultivating organizational relationships that reflect psychologists’ diverse professional roles and broaden the profession’s influence throughout the health delivery system. For example:

- With support from APA, 39 state, provincial, and territorial psychological associations (SPTAs) had sponsored Psychologically Healthy Workplace Awards programs by the end of 2004. Collectively, SPTAs have honored more than 180 organizations for their commitment to workplace well-being while educating business leaders about the value of psychological services.
- APA was invited to testify before the Institute of Medicine committee charged with adapting the institute’s landmark 2001 report, *Crossing the Quality Chasm: A New Health System for the 21st Century*, to a specific focus on mental health and substance abuse disorders. Dr. Jalie Tucker, chair of the APA Board of Professional Affairs, participated in a panel representing five prominent organizations of health professionals.
- The seventh annual Veterans Affairs (VA) Psychology Leadership Conference, cosponsored by the APA Practice Directorate and the Association of VA Psychologist Leaders, attracted top VA and APA officials and principal staff members from the House and Senate Committees on Veterans’ Affairs. The conference focused on ways to make veterans’ health needs a high priority for policymakers.

**Public Education**

The Practice Directorate continues to help stimulate community-based outreach through the ongoing APA public education campaign about the value of psychology and psychological services. Throughout 2004, a major campaign thrust involved helping individuals of all ages develop and use their resilience skills.

In August, the directorate unveiled a redesigned consumer Web site, the APA HelpCenter at www.apahelpcenter.org, a component of the public education campaign. The more user-friendly site gives consumers access to expanded free information, facts, and tips. By January 2005, nearly 430,000 individuals from around the world had visited the updated site since its launch just 4 months earlier.

Meanwhile, the campaign itself was undergoing a redesign. Periodic public opinion survey research and focus groups identified themes and messages that connect with consumers while distinguishing psychologists from the many other health professionals in the marketplace. A new campaign focus for 2005 will have as its central theme the critical and unique role that psychologists play at the intersection of psychological health and physical health, or “the mind–body connection.”

The APA HelpCenter at www.apahelpcenter.org was redesigned with a user-friendly format and expanded information for the public about psychology’s role in a broad range of life challenges.

Representative Jim Ramstad (R-MN), a cosponsor of the Paul Wellstone Mental Health Equitable Treatment Act, received the APA Outstanding Leadership Award during the March 2004 State Leadership Conference.
The Public Interest Directorate (PI) continues to support and promote efforts to apply the science and profession of psychology to the advancement of human welfare. The following is a summary of the major initiatives launched in the various offices and programs of the Public Interest Directorate during 2004.

ACT (Adults and Children Together) Against Violence Program
The community training component of the ACT Program consists of a community-level partnership and a train-the-trainers model. A program evaluation, conducted by Battelle and funded by the Centers for Disease Control and Prevention (CDC), was completed; findings indicate that ACT is a successful way to disseminate violence prevention knowledge to adults. In 2004, ACT programs were instituted on military bases in the Washington, DC, area.

Children, Youth, and Families Office
The Children, Youth, and Families Office coordinates APA’s public interest, human welfare, and social responsibility activities in the areas of children, youth, and families. The office supported the work of the Committee on Children, Youth, and Families and the Working Group on Psychoactive Medications for Children and Adolescents. The office served as an information resource to APA members and the public; developed and disseminated reports and other written materials on professional and consumer issues; and promoted the application of psychological knowledge to address public policy issues affecting children, youth, and families.

Disability Issues in Psychology Office
The Disability Issues in Psychology Office coordinates APA’s public interest activities in the area of disability by working to advance the equitable treatment of people with disabilities in employment, education and training, and as consumers of services, such as mental health and health care. The office served as an information and referral source to members and the public, developed and disseminated written materials to assist students and members with disabilities, and represented the association on external groups to promote the application of psychological knowledge affecting persons with disabilities. The office supported the work of the Committee on Disability Issues in Psychology.

Executive Office
The Public Interest Directorate Executive Office staff continues to provide staff support to the public interest oversight board, the Board for the Advancement of Psychology in the Public Interest (BAPPI), including staffing its spring and fall meetings. At its fall 2004 meeting, BAPPI reiterated its commitment to addressing issues related to poverty and socioeconomic status, diversity within APA governance and staffing, and implementation of the APA Multicultural Guidelines. BAPPI agreed that it would continue to focus upon these issues during future years.
Lesbian, Gay, and Bisexual Concerns Office
APA received from CDC a 2-year cooperative agreement to continue the Healthy Lesbian, Gay, and Bisexual Students Project.

The Conselho Federal de Psicologia (Brazil) and the Columbia Society of Psychology joined APA in the international network of psychological associations that will pursue the recommendations of the final report from the 2001 international meeting, Sexual Orientation and Mental Health: Toward Global Perspectives on Practice and Policy.

Minority Fellowship Program
The Minority Fellowship Program (MFP) supported 95 Fellows across the disciplines of psychology and neuroscience in 2004. The program also hosted poster sessions, symposia, and networking events at the APA convention and the SFN Annual Meeting. The MFP also sponsored its second Psychology Summer Institute in July. The MFP is supported by training grants from the National Institute of Mental Health (NIMH) (with additional support from the National Institute on Drug Abuse) and the Substance Abuse and Mental Health Services Administration.

Office on Aging
The Office on Aging developed and disseminated educational materials on geropsychology for policymakers and students, with support from the Research Retirement Foundation. A brochure, Psychologists Make a Significant Difference: Psychology and Aging, portrays the significant research, practice, and educational endeavors of psychologists on behalf of older adults, their families, and caregivers. Geropsychology: It’s Your Future fact sheets and posters promote geropsychology as a career option for students.

Office on AIDS
The APA Office on AIDS received Phase I funding from NIMH to develop an Internet-based program to educate psychologists about end-of-life issues. The office received a 5-year subcontract from ETR Associates, Inc., to provide HIV-related technical assistance to community-based organizations (CBOs) serving African Americans in the western region of the United States. The office was awarded funding by the Center for Mental Health Services to continue the HIV Office for Psychology Education (HOPE) Program and from CDC to continue operating the Behavioral and Social Science Volunteer (BSSV) Program.

Office of Ethnic Minority Affairs
Major accomplishments of the Office of Ethnic Minority Affairs in 2004 included: Secured a 3-year renewal grant from the National Institute of General Medical Science for the Minority Biomedical Training Project; in collaboration with the Science Directorate and the Minority Fellowship Program, continued to administer the health disparities research small grant program (ProDIGs) for early career faculty at ethnic-minority-serving institutions; (c) under the oversight of the Commission on Ethnic Minority Recruitment, Retention, and Training Task Force (CEMRRAT2), awarded $50,000 in small grants for innovative projects.

Public Interest Policy Office
Public Interest public policy staff successfully advocated for increased federal funding for key health, education, and justice programs, including an additional $1 million for the Minority Fellowship Program, along with favorable provisions in major legislation. The office mobilized APA public interest committees to engage in coordinated advocacy campaigns to influence their Senators on legislation concerning health disparities, domestic violence, suicide prevention, same-sex marriage, and mental health services for children, older adults, and people with AIDS.

Women’s Programs Office
APA, in collaboration with the National Institute for Occupational Safety and Health, the National Institute of Justice, and the National Institute on Disability and Rehabilitation Research, will convene the sixth interdisciplinary conference on occupational stress and health, entitled Work, Stress, and Health 2006: Making a Difference in the Workplace. An updated version of the report Graduate Faculty Interested in the Psychology of Women is available as of February 2005 at www.apa.org/pi/wpo.
In 2004 the Education Directorate undertook numerous projects and activities all designed to support its mission to advance the education and training of psychologists, the teaching of psychology, and the application of psychology to education.

In support of the directorate’s efforts to bring psychological science to education, the directorate hosted the 2004 Education Leadership Conference on September 10-13 in Washington, DC, and had as its theme “Applying Psychological Science to Education in Psychology.” Discussion panels and breakout groups focused on how psychology might effectively apply its own scientific knowledge base to the teaching of psychology at all levels of education. Additionally, attendees participated in a media training and an advocacy-training workshop after which more than 100 individual visits were made to Capitol Hill offices, representing more than 25 states and the District of Columbia.

To facilitate communications within the diverse psychology education community, the inaugural issue of the directorate’s newsletter, The Educator, was published in the fall. An electronic version is available for viewing at http://www.apa.org/ed/educatorFall04.pdf. For a free subscription, contact the Education Directorate at (800) 347-2721 or education@apa.org.

**Advocacy and Public Policy**

Advocating for funding for psychology education and training continues to be a priority for the directorate. Because of work done in 2004, appropriations for the Graduate Psychology Education (GPE) program were maintained at $4.5 million for fiscal year 2005, even while many other federal discretionary programs were eliminated or drastically cut. There are 27 GPE grants supporting a variety of psychology doctoral and internship programs. A total of 52 GPE grants have been awarded since the inception of the program in 2002. The GPE program is now administered through the Division of Medicine and Dentistry in the Dentistry, Psychology, and Special Projects Branch (no longer in Allied Health). This is the first time psychology is listed in the organizational structure of the Bureau of Health Professions.

Additionally, on October 21, 2004, the Garrett Lee Smith Memorial Act, which contained within it elements of the APA-initiated Campus Care and Counseling Act, was signed into law by President Bush at a White House ceremony at which APA was represented by Cynthia Belar, executive director for Education. This represents an important first step in establishing critical and needed support for mental and behavioral health services to students on college campuses. Congress has appropriated $1.5 million for this initiative for fiscal year 2005.

**Enhancement of Education in Psychology**

Creating projects and partnerships that support and enhance psychology education—at all levels of education from secondary school to continuing professional education—is an ongoing priority within the directorate. During 2004, the National Science Foundation awarded a grant to the APA Education Directorate in the amount of $375,000.
to fund Phase I of the Online Psychology Laboratory (OPL). OPL will offer intensive, active learning resources to engage students in the science of psychology at all educational levels, and OPL will be widely available to every student who has access to the Internet, thus increasing the opportunity for all students to experience a psychology experiment. OPL experiment delivery, data downloads, and one-click analysis tools will permit the easy integration of teaching and research at institutions that do not currently offer support for teaching and student research.

In July 2004 the Office of Precollege and Undergraduate Education (PCUE) launched the APA Psychology Department Program, a subscription service, to provide access to the APA's many teaching and advising publications (http://www.apa.org/ed/pcue/psydeptprog.html). In addition, the office has posted to the Web site the preliminary results of its first online survey to create the new APA Undergraduate Psychology Education Database. Through this new initiative, APA has begun to develop a comprehensive set of comparison data that will be useful for program self-study and evaluation.

The Office of Graduate and Postgraduate Education continued initiatives in preparing graduate students for future academic roles. In addition, staff supported the work of the Board of Educational Affairs (BEA) Task Force on Workforce Analysis in Education and Training. The task force submitted its final report in November with recommendations for outlining and conducting a workforce analysis in psychology.

To promote innovations in graduate education, the BEA, in collaboration with the Council of Graduate Departments of Psychology, initiated an annual award for programs demonstrating such developments. First-year winners were the departments of psychology at Pennsylvania State University and a consortium created by the Pacific Graduate School of Psychology and Stanford University. Honorable mentions were awarded to Florida State University and University of New Hampshire.

Offerings in the APA Independent Study Program and Online Academy were expanded during 2004, in keeping with APA's goals of promoting high-quality continuing education opportunities. Additionally, at the 2004 convention, 63 continuing education workshops were offered, the total enrollment for which was 1,362.

Enhancement of Psychology in Education

Another goal of the directorate is to bring the expertise of psychologists and the science of psychology to the teaching and learning process. In August 2004, the $2 million American Psychological Association/Institute of Education Sciences Postdoctoral Education Research Training project was successfully launched with an orientation for Fellows in Washington, DC.

To promote talent development, the Young Scholars Social Science Summit, held at APA, modeled for 80 high school students and their teachers how scholars in various disciplines (psychology, geography, and history) study and address the problems associated with media persuasion.

In December, the Coalition for Psychology in Schools and Education, including representatives from 13 divisions and numerous governance groups, met to review data being collected by a survey to examine teachers' needs for professional development in several areas, including classroom management, instructional skills, classroom diversity, and family outreach.

Quality Assurance in Education and Training

The directorate's Office of Program Consultation and Accreditation completed the review process for continued recognition as the accrediting body for professional psychology by the U.S. Secretary of Education. The Secretary's National Advisory Committee on Institutional Quality and Integrity granted full recognition to APA's Committee on Accreditation for the next 5 years.

During this reporting period, there were 869 accredited programs in professional psychology, including 369 doctoral programs, 467 internship programs, and 33 postdoctoral residency programs.

The Continuing Education Committee approved 22 new organizations and renewed approval for 102 organizations as APA-approved sponsors of continuing education at its October 2004 meeting. There are currently 740 APA-approved sponsors.
APA Journals

APA Journals publishes the majority of the premier journals in psychology. During 2004, APA Journals published 2,760 articles and related scholarly items (2,399 articles in APA journals and 361 in APA’s Educational Publishing Foundation [EPF] journals). Ten special issues were produced in 2004.

APA’s Educational Publishing Foundation began publication of three new titles: *Dreaming and Families, Systems, & Health*, both established quarterlies, and *Psychological Services*, a new journal published twice per year on behalf of Division 18. APA Journals also ceased printing *Contemporary Psychology: APA Review of Books* and, in collaboration with PsycINFO, converted the title to a weekly online e-publication, under the name *PsycCRITIQUES*.

The APA Journals Office continues to transition new editors to the electronic Journals Back Office (JBO) to enable electronic submission of manuscripts and electronic peer review. As of the end of December 2004, 40 APA and EPF journals were operating in JBO.

PsycARTICLES grew by nearly 7,000 articles in 2004. Current issues accounted for nearly 2,800 articles, and the addition of 1986 and 1985 issues to the database produced nearly 4,000 more articles. APA continued to improve its turnaround time, and off-press and electronic release dates were within 2 days of each other. By the end of the year, PsycARTICLES consisted of 54 journals, including *Prevention & Treatment*.

APA Books

APA Books produces works anchored in scholarly knowledge, informed by empirical research, and translated into practical applications. APA Books released 61 books in 2004. Among the best-selling volumes were *Clinical Supervision*, *Beyond Significance Testing*, *Exploratory and Confirmatory Factor Analysis*, *Experiences of Depression*, *Children’s Peer Relations*, *Character Strengths and Virtues*, and *Culture and Competence*.


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**Office of Publications and Databases**
PsycBOOKS is a new full-text database of books and chapters in APA's array of quality electronic databases. The initial release in August 2004 featured about 600 books and the exclusive electronic release of more than 1,500 entries from the APA/Oxford University Press Encyclopedia of Psychology. PsycBOOKS is updated with new releases on a monthly basis.

PsycINFO
PsycINFO records increased to more than 2.1 million as the department added more than 106,000 records in 2004, up 37% from the number released in 2003. The number of cited references increased to about 14 million. In June, the Thesaurus of Psychological Index Terms, Tenth Edition was released with more than 200 new terms. The new 2004 edition of PsycINFO, released in June, included citations and abstracts for the 1,500 entries in the Encyclopedia of Psychology, the addition of unpublished tests, mapping back of test names and new thesaurus terms, more retrospective-cited references, and global corrections. APA moved to releasing PsycINFO in XML only.

PsycINFO developed and released two other databases in 2004—PsycEXTRA and PsycCRITIQUES. PsycEXTRA, APA's gray literature database, grew out of customer requests for access to this hard-to-find literature and includes technical reports, conference abstracts papers, policy papers, newsletters, and popular magazines. The producers of this content are research institutes, professional associations, federal and state agencies, foundations, and other professional organizations. By year's end, the database contained more than 50,000 records and 150,000 full-text pages.

The newest database is PsycCRITIQUES: Contemporary Psychology—APA Review of Books. It features weekly releases of 15-20 reviews of very current books and films. In 4 months, PsycCRITIQUES published 255 reviews of 2004 books. The database also contains all reviews from the print volumes between 1995 and 2004. By the end of 2004, there were more than 5,000 reviews in a searchable database.

The APA Web Site
The APA Web site development focused on techniques to improve external search engine ranking in order to increase APA's already high public exposure. These efforts included using trigger words in links to make clear to users what content lies ahead and to make it easier for search engines to properly classify our content. Several sections of the Web site (gradPSYCH, PsycPORT) were redesigned based on user-centered design principles. This technique relies on how the user sees and uses information rather than on how we want the user to see and use our information.

A new high-level collection of content was bundled together into "topic pages." This serves as subject-oriented content from different program areas in order for the general public to more easily find all of our public content on a specific topic, for example, stress.

Sales, Licensing, and Marketing
APA's Sales, Licensing, and Marketing Department promoted all APA products aggressively. In 2004, APA's flagship PsycINFO and PsycARTICLES databases were sold on a site license basis at more than 3,200 institutions worldwide. Sales of PsycINFO and PsycARTICLES increased 10% and 68%, respectively. The launch of PsycBOOKS, PsycEXTRA, and PsycCRITIQUES laid the groundwork for increasing APA's penetration in the marketplace. APA and third-party vendor sales efforts focused on providing a comprehensive, integrated suite of products to the marketplace and positioning APA as the leading source of content in psychology and the behavioral sciences.

The Book Sales team generated an 11% increase in sales to APA's 12 authorized distributors. Reseller sales in particular resulted in a 46% increase. Direct mail campaigns to promote APA books and videotapes reached audiences numbering more than 1,023,600. Book titles were promoted at 35 exhibitions targeting individuals, librarians, and trade booksellers. APA Books, APA LifeTools, and Magination Press books and authors garnered attention in USA Today, the Los Angeles Times, the Philadelphia Inquirer, Parenting, and Family Circle, among others.
Member and Customer Service Center

Members, nonmembers, and institutional customers interact most often and on the broadest array of issues with the Service Center staff. These staff members play an integral part in handling inquiries and transactions for membership, book orders, and print and electronic subscriptions and serve as the call center for the entire association. These efforts require continual information gathering and training, enhancements to processes and computing resources, and careful attention to member and customer contacts.

Service Center staff members coordinate the efforts of multiple offices in an extensive program to generate renewal notices for 150,000 members and affiliates and 363,000 subscriptions valued at nearly $39 million in 2004 dues, assessment, and subscription revenues. The work contributed to other ongoing member and customer contacts that recorded 200,000 inbound calls, 176,000 pieces of correspondence and forms, and more than 222,000 payments and adjustments to records. Aside from circulation management expertise associated with print subscriptions, other professionals in the Service Center oversee the work of an outside publication order fulfillment operation and warehouse that handled in excess of $11.5 million in book sales.

Notable initiatives and innovations undertaken in 2004 included a book-order-fulfillment vendor contract review and rebidding process that resulted in significant cost savings, an expanded and improved call center phone system, updated member directory records, and an online means for members to submit updates and address changes to their listings. Development and testing of simplified member dues statements and online payment began during this dues cycle, with the goals of increasing member convenience and saving on production and processing costs.

Office of Public Communications

The Office of Public Communications manages APA’s outreach to the news media and creates activities and materials that educate the public about the value of psychological research, findings, and interventions. Through its media training program, the office prepares members, governance officials, and senior staff to serve as spokespersons for the association and the discipline.

 Garnering news coverage of articles published in APA journals and fast response to media requests for information are high priorities for the office. To

These efforts require continual information gathering and training, enhancements to processes and computing resources, and careful attention to member and customer contacts.
During the year, the department coordinated the production of more than 160 publications and other communication products.

speed this process, staff uses a computerized media referral database that lists APA members prepared to do media interviews within their subspecialty. This database, with more than 2,000 APA members listed by their area of expertise, is an important media relations tool and allows psychology and psychologists to be part of breaking news nationwide.


Additionally, in the office’s Department of Editorial and Design Services, APA offices, directorates, and governance groups are provided with professional, in-house editing, design, and publications management. During the year, the department coordinated the production of more than 160 publications and other communication products.

Also produced within the Office of Public and Member Communications are The Monitor on Psychology and gradPSYCH magazines. The Monitor on Psychology is published 11 times a year. The 2004 cover packages included reporting on the 50th anniversary of Brown v. Board of Education, children’s mental health, and behavioral genetics. Monitor circulation includes all APA members plus individual and institutional subscribers, government officials, and members of the news media. gradPSYCH magazine is published for and about graduate psychology students.

Membership Development

The Membership Development office staff manages numerous membership recruitment and retention initiatives. In 2004, the staff oversaw the creation and production of a tool kit for volunteers, Make a Difference in Psychology. The kit contained numerous information pieces about APA membership, services, and products. Kits were distributed to faculty volunteers at psychology departments across the country for distribution to students and faculty colleagues who are currently not members of the association.
**Board and Committee Operations Office**
The Board and Committee Operations Office organizes the consolidated meetings, assembling the cross-cutting agenda for each meeting, produces the annual governance directory *Making APA Work For You*, and staffs a variety of ad hoc groups. Staff members also revised and updated *Get Your Voice Heard*, a brochure designed to help members understand and access APA governance. *Get Your Voice Heard* was also made available online (http://www.apa.org/governance/gettingheard.pdf).

The March 2004 consolidated meetings included 26 boards and committees and the APA Board of Directors. The 25th anniversary of the founding of the Office of Ethnic Minority Affairs was honored at the opening reception. The October and November consolidated meetings included 16 and 12 boards and committees, respectively.

In 2004 the office staffed the APA Task Force on External Funding, which presented a report to the Board of Directors in December, and the Ad Hoc Committee on Early Career Psychologists, which worked with the Membership Office on specific retention efforts; sponsored dynamic and well-attended convention programs; and established mechanisms for an effective transition to the standing Committee on Early Career Psychologists established by Council in August.

**Division Services Office**
The Division Services Office (DSO) provides centralized information and referral services on the activities of APA's 53 divisions and serves as the administrative office for 31 APA divisions. The staff serves as liaison to the Committee on Division/APA Relations (CODAPAR) and the Policy and Planning Board (P&P).

In 2004, the DSO provided staff support for the creation of the *2004 P&J 5-Year Report* and continued the development of an updated version of the *Council Policy Manual*. The *Council Policy Manual* is a compendium of all current and archival policies of the association that will be available to APA members via the APA Web page in fall 2005. P&P made plans for its first town hall meeting, which will be held at the 2005 convention and will explore the needs of psychology and psychologists in the 21st century.

In 2004, the Board of Directors approved CODAPAR’s recommendations to award for the following interdivision grant projects: (1) Models of Excellence: The Scholarship of Teaching; (2) Clinical Health Psychology Institute; (3) Moving Toward Integrating Basic and Applied Research on Emotions, Relationships, and Health; (4) Cultural Diversity Forum on Men and Masculinity; (5) Opportunities for Retired Psychologists: Feasibility of a Web-Based Venue; (6) Implementation of the APA Resolution on Sexual Affair.
In 2004 the office staffed the APA Task Force on External Funding...sponsored dynamic and well-attended convention programs; and established mechanisms for an effective transition to the standing Committee on Early Career Psychologists established by Council in August.


Two prospective new divisions in the areas of human–animal studies and trauma psychology obtained the required number of petitioners needed for Council consideration. The Society for Human–Animal Studies will take its petition to Council in February 2005, and the proposed Division on Trauma Psychology will be considered by Council in February 2006. Other areas of inquiry for potential new divisions are (1) use of psychological and behavioral science in devising intelligence, counterintelligence, and counterterrorism strategies to advance homeland and national security; (2) cognitive behavioral therapies; (3) occupational health psychology; (4) political psychology; (5) evolutionary psychology; (6) neuroimaging; and (7) disability studies.

Special Projects Office
The Special Projects Office coordinates projects related to the initiatives of the president and president-elect; the president's Web site; presidential citations; the APA Award for Outstanding Lifetime Contributions to Psychology; the APA Awards program and ceremony; the Raymond D. Fowler Award for Outstanding Contributions to APA (member category); and special convention events, including the opening session, the president's program, and the presidential address. The office also coordinates APA art exhibits and joint projects with organizations such as the Smithsonian Institution.

In 2004, the Special Projects Office staffed APA President Diane F. Halpern's Task Force on Retiring Psychologists and her presidential initiative on the Multilingual Prejudice Web site. At the 2004 convention opening session, Albert Bandura, PhD, received the APA Award for Outstanding Lifetime Contribution to Psychology, and Psychologist Paul Pearsall, PhD, presented the Psychology of Aloha, an aha mele. The Kamehameha School Children’s Choir also performed. The convention closing session featured a performance by the Makaha Sons and Robi Kahakalau.
Archives and Library Services

The APA Archives continues to be a valuable resource for the history of the association and the discipline. During 2004, oral history projects with past APA presidents continued, and a new video oral history project on the emerging diversity of American psychology began.

The Arthur W. Melton Library serves as the major research resource for the various research projects and activities of the APA Central Office. A new emphasis on identifying important books in the history of 20th century psychology and making them available in electronic full text as part of the new PsycBOOKS database is also under way.

Ethics Office

In 2004, the Ethics Office offered educational workshops, provided ethics consultations to APA members and the public, and supported the Ethics Committee in adjudicating ethics complaints. During the year, the Ethics Office offered or was involved in nearly three-dozen ethics education programs across the country and one international program (the 28th International Congress of Psychology in Beijing, China). Providing continuing education programs to state, provincial, and territorial psychological associations in order to generate funds for the associations became an office priority in 2004, and 11 such programs were offered. At the 2004 convention, the Ethics Office and Ethics Committee had a more active continuing education program than at any other point in office history.

The Ethics Office promotes ethics education in a variety of ways in addition to ethics workshops. The Ethics Office director writes a monthly column, “Ethics Rounds,” in APA’s Monitor on Psychology, on practice-oriented topics. The Ethics Office has partnered with the Education Directorate to begin developing a Web-based continuing education program on the 2002 Ethics Code. The Ethics Office coordinated the third annual Graduate Student Ethics Prize ($1,000 and a round-trip ticket with 3 nights’ stay at convention), which is jointly sponsored by the Ethics Committee and the American Psychological Association of Graduate Students (APAGS). Top student papers were published in the journal Ethics and Behavior.

Statistics regarding the adjudicative activities of the Ethics Office and Ethics Committee for 2004 can be found in the Ethics Committee annual report in the American Psychologist.
The last printed issue of the office’s quarterly newsletter, Psychology International, appeared at the end of 2004, and the newsletter will be published electronically starting in 2005.

Office of International Affairs
The Office of International Affairs facilitates the coordination of the association’s international activities, including APA’s representation at the United Nations and at major international meetings and congresses. Office Director Joan Buchanan attended the International Congress of Psychology in Beijing, China, in August. She helped staff a booth exhibiting APA publications and planned the APA reception hosted by Drs. Anderson and Halpern.

The office also facilitates visits to APA by executive officers representing their psychological societies as well as researchers, teachers, and students participating in international exchange programs. Staff arranged meetings at APA headquarters for psychologists from Ukraine, Armenia, and Bosnia-Herzegovina who were participating in a faculty exchange program sponsored by the American Council of Education and the State Department.

The last printed issue of the office’s quarterly newsletter, Psychology International, appeared at the end of 2004, and the newsletter will be published electronically starting in 2005. The office’s other ongoing publications are its annual directories of more than 80 national and nearly 90 international psychology organizations worldwide.

Research Office
During 2004, the office analyzed data from the 2003 Doctorate Employment Survey, Faculty Salary Survey, Graduate Study in Psychology, 2003 Salaries in

APA Services for Students
The American Psychological Association of Graduate Students (APAGS) represents and supports the interests of its approximately 40,000 members—all psychology graduate or undergraduate students.

In 2004, an APAGS strategic plan was completed and approved, marking an important turning point with regard to the mission of APAGS and the functioning of the APAGS Committee. Through the review of APAGS’ mission, vision, and values, the APAGS Committee has proposed strategies and goals to help drive the activities of APAGS.

Highlights for 2004
• The APAGS Committee voted to formally change the Member-at-Large, General Focus Governance position to the Member-at-Large, Recruitment and Retention Focus Governance position. This new position seeks to recruit and retain a graduate student membership that reflects the diversity in psychology and promotes unity within the field.
• APAGS launched its Division Student Representative Network (DSRN) in January 2004. The DSRN is designed to help provide support to student division leaders and encourage divisions to support APAGS initiatives and activities.
• A new APAGS LISTSERV dedicated to the dissertation process was created as a resource for students needing advice and direction concerning dissertation issues.
• The APAGS Committee on Ethnic Minority Affairs (CEMA) conducted an online student survey aimed at assessing students’ overall satisfaction with the level of multicultural training offered throughout graduate-level curricula. The data is currently being reviewed.
• APAGS hosted a variety of events at the 2004 APA Annual Convention. In addition to a wide array of substantive programming, APAGS hosted several subcommittee meetings and social hours, Food for Thought breakfasts, and Internship breakout groups.
• APAGS hosted focus groups with students as well as the popular Internship Workshop at various campuses/conferences nationwide.
• APAGS collaborated with the Federation of Behavior, Psychological, and Cognitive Sciences to host a full-day science forum titled “Nonacademic Careers in Behavioral, Psychological, and Cognitive Sciences.”

Please visit www.apa.org/apags for additional information.

Psychology, and the 2003 Medical School Psychologists Survey. New data, graphs, and reports related to education, employment, and demographics have been placed on the Research Office Web site http://research.apa.org. The office is developing a strong electronic survey capacity and efficient use of new technology. Staff members were involved with several electronic member surveys, including journal readership surveys, Convention, QuiP (Quick Poll), and the interassociation APA/APPIC survey of intern applicants, evaluation of graduate programs in neuroscience aimed at minorities (SPINES), and the APA workplace climate survey. They assisted other offices/directorates (e.g., CWP, OEMA, Executive Office, Education, Monitor, and Membership) in a variety of data collection efforts and filled many requests for labels and for demographic, education, and employment information.
The Office of General Counsel (OGC) provides legal expertise to the association on a variety of topics, including contracts, employment issues, intellectual property, and antitrust concerns. During 2004, the office continued its efforts to advance APA's interface between psychology and the law through interdisciplinary collaboration with the American Bar Association. The most significant areas of APA/ABA collaboration in 2004 included the following.

- APA/ABA National Conference on Children and the Law: Lawyers and Psychologists Working Together (June 2004; Washington, DC)—This successful conference provided an excellent forum to demonstrate the important roles that psychologists play in contributing psychological knowledge to the advocacy, service delivery, public policy, and legal and judicial issues affecting children in the legal system.

- ABA Task Force on Mental Illness and the Death Penalty—APA representatives on the task force worked with the OGC to facilitate the APA governance review of the task force's proposed recommendations to be considered by Council for adoption as APA policy.

- APA/ABA Working Group on Assessment of Capacity in Older Adults—The APA/ABA Working Group developed and finalized a proposal for joint publication of a handbook for lawyers titled *Assessment of Older Adults With Diminished Capacity: A Handbook for Lawyers*, and is currently developing a handbook for judges on determining capacity of elders in guardianship proceedings.

- Pro Bono Child Custody Project—The mission of this project is “to design and implement programs and policies in child custody proceedings that foster children’s well-being, development, and safety.” APA continued to support the various initiatives associated with this project, including representation on the advisory board, involvement in planning and implementation for interdisciplinary educative programming, and support for the Child Custody Grant Advocate Campaign.

The APA continued to serve as an important source of psychological science expertise to the courts through the filing of amicus briefs. During the past year, the OGC worked closely with the Committee on Legal Issues, APA directorates, relevant governance bodies, psychological experts, and outside counsel to prepare and file amicus briefs in several nationally prominent cases as follows.

- *Comfort v. Lynn* (U.S. Court of Appeals for the First Circuit)—This involved a voluntary desegregation plan in Lynn, MA, that uses race as a factor in assigning children to K-12 schools in the event that they request a school transfer. APA’s brief presented social, psychological, and developmental research as a backdrop for the court’s consideration of the plan. The brief also educated the court concerning some of the processes involved in prejudice and discriminatory behavior, including negative stereotypes, in-group bias, aversive racism, intergroup anxiety, and implicit stereotypes.

- *Roper v. Simmons* (U.S. Supreme Court)—This involved review of the constitutionality of the death penalty for juvenile defendants (those under the age of 18 at the time of their crime). APA’s brief asserted that a categorical exclusion of 16- and 17-year-olds from the death penalty is warranted based on the research and the fact that assess-
ment of character and likelihood of dangerousness as an adult in the death penalty context cannot be sufficiently reliable to satisfy constitutional standards. The APA amicus brief presented research regarding differences in adolescent decision making in the context of criminal conduct and the criminal justice system. The brief presented research regarding the transitory nature of adolescence, increased risk taking during that period, and decision-making attributes that affect criminal culpability. In addition, APA advised the Court of emerging neuropsychological research that demonstrates the extended period over which the adolescent brain reaches adult maturity. A central part of APA’s brief addressed the point that individualized capital sentencing proceedings do not allow a sufficiently reliable means of accounting for the mitigating effect of adolescence in determining whether a criminal defendant should be executed. APA also advised the Court of research regarding jury studies showing that unconscious racism may lead jurors to falsely attribute greater maturity and culpability to African American adolescent offenders.

**Ewing v. Goldstein (California Supreme Court)**—This addressed a review of a decision by the California Court of Appeal that extends California’s duty-to-warn statute from communications from a patient to a therapist to include communications about the patient from a third party. A letter in support of a petition for review was filed on APA’s behalf explaining: (1) the importance of confidentiality and trust in the psychotherapeutic relationship; (2) exceptions to the rule of confidentiality are, by necessity, narrow and definitive; and (3) the adverse effects of the Court of Appeal’s decision.

**Lewis v. Harris (Superior Court of New Jersey)**—This addresses the constitutional challenge to New Jersey’s refusal to issue marriage licenses to same-sex couples. APA’s brief provides scientific research that has established that homosexuality is not a disorder or disease, but rather a normal variant of human sexual orientation. The brief advises that allowing same-sex couples to marry would provide the legal, social, and economic supports that already strengthen heterosexual marriages, with all of the associated psychological and health benefits and also end the antigay stigma embodied in a same-sex marriage ban. The brief also asserts that ending the prohibition on marriage for same-sex partners is in the best interest of children being raised by lesbians and gay men, and that empirical research has consistently shown that lesbian and gay parents do not differ from heterosexuals in their parenting skills, and their children do not show deficits compared to children raised by heterosexual parents. The argument that banning same-sex marriage will encourage gay men and lesbians who wish to conceive and raise children to do so in heterosexual marriage relationships, and that promoting such arrangements is in the best interest of children, is not supported by research or clinical experience.

The New Jersey brief provided a template for filing APA amicus curiae briefs regarding same-sex marriage in other states. Two additional cases regarding marriage for same-sex couples were approved for APA amicus filing in 2004, as follows: **Andersen v. King County** (Washington) and **Li et al. and County of Multnomah v. Oregon**.

The APA continued to serve as an important source of psychological science expertise to the courts through the filing of amicus briefs.
Serving as the APA president in 2004 was a true privilege. Thank you for the opportunity. During my presidency, I focused on three presidential initiatives and the annual convention.

The “Once-in-a-Blue-Moon” Convention
For those who attended the 2004 APA Annual Convention in Honolulu, it is not romantic hyperbole when we recall it as a “once-in-a-blue-moon event.” According to CNN.com, the second full moon in a calendar month is called a blue moon and also because of widespread ash and soot elsewhere in the world. The moon at the end of July 2004 appeared particularly blue and large when viewed from Hawaii. It does seem that the planets really were aligned to make the 2004 APA Annual Convention just about perfect.

The 2004 convention had the largest attendance of international psychologists that APA has ever had and despite dire predictions of low attendance overall, large numbers of mainlanders experienced first hand the Aloha Spirit at the extraordinary opening ceremony from our very own Paul Pearsall and his spiritual family. We learned via traditional hula how the ancients understood the key concepts of the unity of mental and physical health that modern psychologists are still struggling to reinvent as each generation creates its own new stressors. The natural beauty of Hawaii provided a superb backdrop where we congregated and celebrated the hard work of our members and honored our past. We marked the 50th anniversary of the historic Brown v. Board of Education and the role that psychologists played in advancing public policy, making scientific strides, practicing our profession, and educating at all levels. It was my great honor to recognize the contributions of some of the most outstanding psychologists of our time. It was particularly gratifying to have the opportunity to right some wrongs of history and posthumously award a presidential citation for scientific and scholarly contributions to Mamie Phipps Clark, PhD, who had not received much recognition in her own lifetime because she was a woman and an African American at a time in history when scholarly contributions by African American women were not appreciated.

Presidential Initiative 1: Integrating Work and Family
Hawaii was the perfect place to integrate and celebrate work and family, the main theme of my presidential year. Both families and the workforce have undergone radical change over the last several decades, creating the need for new models of work–family interaction that provide returns on investments to employers and working families. Along with a stellar multidisciplinary task force, I produced a comprehensive report, Public Policy, Work, and Families: The Report of the APA Presidential Initiative on Work and Families. A major imperative for change is the demographic fact that more than 70% of mothers with school-age children now...
work for pay outside the home and that families come in a wide variety of types and configurations. Yet, the world of work remains largely organized around a 9-to-5 schedule, which is best suited for a family that is statistically rare—with one stay-at-home caretaker and one employed adult. Even if contemporary families do not look like those we used to see on television sitcoms, research supports many of our traditional values—a supportive quality home environment is pervasively related to positive outcomes for children and other family members.

Although most working parents report that they are squeezed for time, as the demands of work and family are often conflictual, there are benefits of paid employment for all adults, including enhanced self-esteem and reduced depression, with the greatest gains for those whose families are moved out of poverty by the increased income. Studies show that the high cost of housing (especially in neighborhoods with good public schools) causes families to depend on the income of all adults so that any catastrophe, such as an illness in the family, throws families into financial tailspins, with more families filing for bankruptcy each year than there are filing for divorce. Few families can afford “luxuries” like health insurance, mortgage payments, and grocery bills on one salary. The two-parent, single-wage-earner family is going the way of the dodo bird, yet few employers have adjusted conditions of employment to account for these changes.

The APA presidential task force made numerous recommendations to align the worlds of work and family in ways that are beneficial to both, backing each of our recommendations with social science data. We need quality early childhood education programs for children so that parents can keep their jobs and children can develop to their best potential. There is a massive literature showing that quality early childhood education is good for children, especially children from low-income homes. “High-quality, educational child care and preschool for low-income children . . . by age 15, reduces special education placements and grade retentions by 50% compared to controls; by age 21, more than doubles the proportion attending four-year college and reduces the percentage of teenage parents by 44%” (U.S. Department of Education, December 2003, p. iii). The report we prepared provides an overview of several areas of work–family interface, including the negative effects of stress on health and the way stress-management programs (including exercise and healthy eating) can help employees feel better and miss fewer days of work (McEwen & Lasley, 2002). There are recommendations for public policies, employers, schools and communities, and working families. Each recommendation is linked to the Work–Family Best Evidence Database (http://Berger.ClaremontMcKenna.edu/ work-family), where every recommendation is backed by several references (with abstracts) that will be updated periodically as the social science research literature changes.

The goal of the work–family integration presidential initiative is to use our best evidence to shape public and workplace policies and to inform family decisions.

Presidential Initiative 2: Retiring Psychologists Initiative

With a large proportion of our membership composed of retiring (and near retiring) members, the APA membership mirrors the demographics of the United States. Despite the fact that we are not unique as baby boomers, we can take the lead in understanding the psychological processes and in assisting our own members through the uncharted territory of aging. For APA, we have specific association concerns, which include membership issues (how can we keep members attached to APA as they age), work-related forecasts (where and when will job shortages start to occur as members leave the workforce for age-related reasons), concerns of APA members and other psychologists as they face older age. How can we use our knowledge and skills as psychologists to provide aging-related assistance as the baby boomers become the aged boomers?

In response to the many questions raised by silver-haired psychologists (or at least the silver-rooted ones), I assembled a superb Task Force on Retiring Psychologists, which was chaired by Bob Johnson, PhD, now retired from
We realized that we would need to learn more about our own members and their plans and needs as they move into what used to be traditional retirement age. The term *retiring* was used to denote that it is more likely to be a continuous process that occurs over time rather than a single event in time, which is an older model of how people retired (e.g., on one’s 65th birthday). With the help of APA’s Research Office, we crafted a survey that was sent via e-mail to recently retired members and a sample of members over age 50 (retirement status unknown) in which we asked many questions about their plans for retirement or retirement status, preferences and needs for work, their volunteer activities, financial security, health status, and that of a partner or spouse if there was one, and much more.

The most important information about the graying of APA is the demographic information, which is shown in the figure on this page. It shows that APA membership is getting much older. In 1972, the median age of members was 41.6. The graph starts in 1985 with a median age of just over 46 and goes to 2004, when the median age is almost 54. Respondents to the survey had many insightful (and poignant) comments, including comments on the need for more information on cognitive aspects of aging, practical information related to their employment (e.g., closing a practice, shutting down a research laboratory), and the desire to use their specialized skills and knowledge as psychologists into old age.

In response to the survey information, the Committee on Aging has agreed to continue with this initiative and incorporate some of the findings in their *Road Map to Aging*, a brochure and media project that will provide advice from those with expertise in aging to those who can apply the science-based recommendations to maintain physical and mental health into very old age.

**Presidential Initiative 3: Prejudice in Any Language—Translation of Psychologically Sound Materials Designed To Understand and Reduce Prejudice**

My third presidential initiative was to translate quality materials about prejudice into multiple languages, make them available on the Internet, and connect with psychological associations around the world (we have regular communication with psychological organizations in more than 80 countries) so the materials would be used. I had the idea of a worldwide dialogue (OK, so a dialogue is two people talking—*worldalog*) over quality psychological materials that discuss prejudice in ways that would genuinely engage people of good intent. The idea for this project came to me when I was a Fulbright scholar in Moscow in 1993-1994. At that time, I began taking photos of the swastikas in the Moscow area where they were popular graffiti. Unfortunately, there were far too many for me to photograph, and it was probably a risky activity, so I stopped, but I have not forgotten the experience. I was teaching psychology classes at Moscow State University at that time, so I discussed the swastikas with the students in my classes—the best and brightest of contemporary Russia. They told me that prejudice was engrained in the Russian soul. When I protested and suggested that they read the academic
literature on prejudice, they told me they did not know of any materials that were available in Russian. I later learned that there is little in the way of quality materials on prejudice available in many languages. I later taught in Turkey and several other countries where I asked similar questions about the availability of quality materials on prejudice (students often do not know what is available, but that is what matters) and recognized that I had to leave the United States to see our own problems more clearly and that the prejudice that exists here became clearer for me when I saw it elsewhere in a foreign context.

My grand plan was to find many examples of high-quality and accessible materials about prejudice, have them translated into multiple languages, and then find similar materials that are not in English and have those pieces translated into English and other languages. I even envisioned separate areas on a psychology multilingual Web site for different targeted prejudices, perhaps by target groups (e.g., people with disabilities, gays and lesbians, religious groups) and parts of the world. This sort of grand plan would take much more funding and coordination than was possible in 1 year, so I started smaller. It is with immense gratitude that I acknowledge Scott Plous, PhD, who allowed us to use his materials and the Web site he maintains at http://www.understandingprejudice.org. Thus far, an overview chapter (approved by an ad hoc committee of expert psychologists in prejudice reduction) has been translated into numerous languages. All translations (forward and backward) have been done by psychologists who are native in the language into which it was translated, but whose doctorate is from an English-speaking and reading country (in psychology). It is my hope that this project will grow into the “worldalog” for understanding prejudice that I envisioned.

Taken together, I thank the hundreds (perhaps thousands) of colleagues who have worked with me on these initiatives and the many, many more who I hope will benefit from them. Please check out the Web sites listed here and spread the word—there’s still much work left over from 2004 to be done before we are finished spreading the Aloha Spirit.
A Dynamic Decade of Dollars

A few months ago, I concluded the second of two 5-year terms as your Treasurer. During this 10-year span, APA has gone through a period of significant growth. In fact, annual revenues from operations have grown from $59 million in 1995 to $82 million in 2004 (see Table 1). Total assets have increased 30%, and net assets have grown over 27%. During this period, we have added additional funds to the association’s investment portfolio and bolstered our real estate portfolio by constructing and operating a second commercial office building.

Challenges...

This tremendous growth has not come without significant challenges, particularly in the past 5 years. The aftermath of September 11th destabilized the stock market and this, combined with other market forces, contributed to large decreases in the market value of our investment portfolio. A shortfall in our electronic licensing revenue in 2001 caused by some faulty predictions, structural changes in our pricing methodology, and the bankruptcy of a key distributor put the association into a serious deficit situation in 2001 and 2002. By 2002 it was evident that we faced a cash flow shortage due to consecutive years of planned operating deficits, significant investments in technology, and an aggressive long-term real estate debt repayment plan. The outbreak of SARS in the city of Toronto in 2003 had the potential to seriously reduce attendance at our annual convention scheduled for Toronto that year with additional adverse economic consequences.

Another significant challenge facing APA, as well as many other member-driven organizations, is the aging of our membership base. After growing for several decades, the number of members and affiliates of the association has recently leveled off, as the new member growth has not been sufficient to offset the number of psychologists retiring from the profession. In fact, the number of members actually decreased slightly this year, from 149,026 in 2003 to 148,892 in 2004.

...And Solutions

APA management and the Board of Directors responded aggressively to all of these challenges. The significant deficits of 2001 and 2002 were addressed by across-the-board cuts in association expenses. Most significant among these was a voluntary staff-reduction program implemented in 2002, which cut the association’s largest expense—salaries and benefits. APA also restructured its pricing methodology for electronic products, the revenues from which have continued to climb (see sidebar). To remedy our cyclical cash-flow shortfalls, we refinanced both buildings at lower interest rates over a longer amortization period, thereby increasing the cash flow from real estate operations. In the context of the SARS outbreak, our CEO, Norman Anderson, negotiated significant concessions from...
the city of Toronto that minimized our loss of revenue from reduced attendance at the convention.

While we continue to actively market membership in the association to our colleagues, we have also sought to increase non-dues revenue sources. In 2004, membership revenue accounted for only 17% of total operating revenues. Some of our more notable new sources of non-dues revenue include the substantial growth in licensing revenues from the sale of electronic products noted above, and additional revenue from leasing space in the second office building operated by the association.

**Income and Expenses**

We ended the 2004 fiscal year with a planned loss on APA operations of $3.4 million (see Table 1). On a consolidated basis, including operation of the APA buildings and unrealized gains on our long-term investments, we ended the year with a net profit of $2.215 million (see Table 3). Revenues fell in line with the previous year, while expenses were slightly higher, particularly in personnel-related areas (salaries, benefits, space costs) as the association resumed more normal staffing patterns following the temporary voluntary staff-reduction program and as staff turnover dropped from previous years—reflecting the tepid national economy in 2004.

The programming highlight of the year for many members was the 2004 APA Annual Convention, held in Honolulu, where attendance surpassed all of our expectations. In fact, just short of 13,000 members joined us in Hawaii, greatly exceeding our registration projections. The 2004 Hawaiian convention got such rave reviews from the members that the Board of Directors has chosen Hawaii as the site for our 2012 convention.

**The Balance Sheet**

As noted in the sidebar discussion of the restructuring of our licensing revenue, the balance sheet in Table 2 restates the 2003 results along with the 2004 results to reflect the accounting change involving our licensing revenue.

**Looking Ahead**

As I hand over the Treasurer’s responsibilities to Carol Goodheart, EdD, the association faces some significant fiscal oversight challenges in this post-Enron era of more intense scrutiny, particularly as we anticipate extension of Sarbanes-Oxley style legislation (nicknamed SOX by many) to the nonprofit world. APA has implemented many of the SOX standards, even though they

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**Table 1. Income and Expense Statement**

**APA Operations (Unconsolidated)**

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dues &amp; Fees</td>
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<td>Journal Subscriptions</td>
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<tr>
<td>Licensing/Royalties</td>
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<td>Sales</td>
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<tr>
<td>Other</td>
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<td>15,160</td>
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<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$81,479</strong></td>
<td><strong>$81,735</strong></td>
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<tr>
<td>Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries/Benefits</td>
<td>$36,796</td>
<td>$39,008</td>
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<td>Production Costs</td>
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<td>Space Costs</td>
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<td>Boards/Committees</td>
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<td>Consulting/Contractual</td>
<td>8,241</td>
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<tr>
<td>Other</td>
<td>20,157</td>
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<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$83,394</strong></td>
<td><strong>$85,215</strong></td>
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<tr>
<td><strong>Net Loss from APA Operations</strong></td>
<td>(1,915)</td>
<td>(3,480)</td>
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</table>

**Non-Operating Activity (Consolidated)**

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-Term Investment Activity:</td>
<td></td>
<td></td>
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<tr>
<td>Gain on Sales/Interest</td>
<td>$1,123</td>
<td>$1,336</td>
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<tr>
<td>Investment Mgmt Fees</td>
<td>(299)</td>
<td>(382)</td>
</tr>
<tr>
<td>Unrealized Gains (FAS 124)</td>
<td>10,082</td>
<td>3,829</td>
</tr>
<tr>
<td><strong>Net Long-Term Investment Activity</strong></td>
<td>$10,906</td>
<td>$4,783</td>
</tr>
<tr>
<td>Building Activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ten G Operations</td>
<td>$1,338</td>
<td>$1,298</td>
</tr>
<tr>
<td>750 Operations</td>
<td>2,640</td>
<td>2,090</td>
</tr>
<tr>
<td>Unrealized Gain on Interest Rate Swap</td>
<td>735</td>
<td>224</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>(2,232)</td>
<td>(2,152)</td>
</tr>
<tr>
<td>Income Tax Benefit</td>
<td>(2,222)</td>
<td>(1,366)</td>
</tr>
<tr>
<td>Deferred Rent</td>
<td>700</td>
<td>725</td>
</tr>
<tr>
<td><strong>Net Building/Partnership Activity</strong></td>
<td>$959</td>
<td>$819</td>
</tr>
<tr>
<td><strong>Total Non-Operating Activity</strong></td>
<td><strong>$11,865</strong></td>
<td><strong>$5,602</strong></td>
</tr>
</tbody>
</table>

(All figures shown in thousands)
(2003 balances have been restated)
are not currently required of not-for-profit entities. The continued increase in the percentage of the association’s total revenue, which is earned from the licensing of electronic products, poses additional challenges for the association. Many of these licenses are sold through third-party distributors. As we have experienced in the past, due to the large balances collected by the distributors, dependence on these third parties bears risk for the association until APA actually receives payment from the distributor.

Our real estate portfolio also poses challenges. Although both buildings are currently close to full occupancy, several major leases will expire in 2007 and 2008, most notably the lease with Amtrak. Amtrak occupies close to one third of the 10 G Street building. Considering the amount of space leased by Amtrak, and in spite of the questions raised annually on Capitol Hill about the long-term viability of Amtrak, we continue to monitor the situation and are pushing for an early renewal of the Amtrak lease, believing that Amtrak will survive in the end.

As our membership ages and more of our members retire or become eligible for life membership, increasing membership will be a primary focus for the association in the coming years. With our continued focus on increasing non-dues revenue sources, we hope to keep dues low as a percentage of our overall budget.

Our cash position has greatly improved since the 2002 refinancing of the buildings and will remain strong as long as the budget is balanced, the buildings remain fully leased, the interest rate market remains stable, capitalization is controlled and the equity market is stabilized.

**A Personal Note**

I would like to end this brief report by thanking the many Finance Committee and investment subcommittee members who have served with me over the past 10 years. A special thank you also goes to the entire accounting staff who have

### Table 2. Balance Sheet (Consolidated)

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and ST Investments</td>
<td>$42,228</td>
<td>$46,119</td>
</tr>
<tr>
<td>Long-Term Investments</td>
<td>42,558</td>
<td>50,231</td>
</tr>
<tr>
<td>Land/Buildings/Equipment</td>
<td>86,324</td>
<td>84,557</td>
</tr>
<tr>
<td>Other</td>
<td>33,017</td>
<td>31,140</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$204,127</strong></td>
<td><strong>$212,047</strong></td>
</tr>
<tr>
<td><strong>Liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Divisions/Other Groups</td>
<td>$4,261</td>
<td>$5,009</td>
</tr>
<tr>
<td>Long-Term Debt</td>
<td>121,407</td>
<td>119,497</td>
</tr>
<tr>
<td>Accounts Payable/Accrued Expenses</td>
<td>11,611</td>
<td>13,036</td>
</tr>
<tr>
<td>Deferred Revenue</td>
<td>40,799</td>
<td>46,465</td>
</tr>
<tr>
<td>Other</td>
<td>1,974</td>
<td>1,750</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$180,052</strong></td>
<td><strong>$185,757</strong></td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td><strong>$24,075</strong></td>
<td><strong>$26,290</strong></td>
</tr>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td><strong>$204,127</strong></td>
<td><strong>$212,047</strong></td>
</tr>
</tbody>
</table>

### Table 3. Net Assets Summary (Consolidated)

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Assets Beginning Balance (Consolidated)</strong></td>
<td>$21,041</td>
<td>$24,075</td>
</tr>
<tr>
<td>APA Operations (see also Table 1)</td>
<td>(1,915)</td>
<td>(3,480)</td>
</tr>
<tr>
<td>APA Non-Operating Activity (see also Table 1)</td>
<td>11,865</td>
<td>5,602</td>
</tr>
<tr>
<td>APAPO Operations</td>
<td>1,045</td>
<td>93</td>
</tr>
<tr>
<td>Restatement: Deferred licensing revenue</td>
<td>(7,961)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Change in Net Assets</strong></td>
<td><strong>$3,034</strong></td>
<td><strong>$2,215</strong></td>
</tr>
<tr>
<td><strong>Net Assets Ending Balance (Consolidated)</strong></td>
<td><strong>$24,075</strong></td>
<td><strong>$26,290</strong></td>
</tr>
<tr>
<td><strong>Composition of Ending Net Assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>APA Unrestricted/Undesignated</td>
<td>$20,167</td>
<td>$21,545</td>
</tr>
<tr>
<td>Designated Activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communications R&amp;D</td>
<td>715</td>
<td>1,265</td>
</tr>
<tr>
<td>Accreditation Stabilization</td>
<td>1,656</td>
<td>1,850</td>
</tr>
<tr>
<td>APAPO</td>
<td>1,537</td>
<td>1,630</td>
</tr>
<tr>
<td><strong>Ending Net Assets, Unrestricted</strong></td>
<td><strong>$24,075</strong></td>
<td><strong>$26,290</strong></td>
</tr>
</tbody>
</table>

(All figures shown in thousands)

(2003 balances have been restated)
Restructuring Licensing Revenue

In this era of scrutiny and compliance, particularly the impact of the Sarbanes-Oxley legislation, one of the most significant issues that arose for us in 2004 was the complete restructuring of revenue recognition for our electronic product sales. This change was necessary in order to be in compliance with Generally Accepted Accounting Principles (GAAP).

To better understand this phenomenal growth, we have included Tables 4a and 4b. Table 4a demonstrates the rapid and significant growth in electronic revenues since the late 1980s. Table 4b clearly shows that in the past several years, our income from electronic products has outpaced our income from traditional journal hard copy sales. This rapid growth brings with it many new challenges for management; such as, new pricing strategies, uneven and uncertain cash flow, third-party vendor dependence, while maintaining balanced budgets.

As a result of this growth, which now represents a significant percentage of our annual income, and due to the fact that these licenses are serviceable over a 12-month period from contract date and not tied to a calendar year subscription as in the case of hard copy journals, we now have to recognize income across multiple years.

The effect of this change means that we must recognize a liability of $11 million on our balance sheet as of December 31, 2003, which quantifies the services that we were theoretically obligated to deliver during 2004. In addition, we must also increase that liability to $15 million as of December 31, 2004 for services to be delivered during 2005.
Serving Members, Students, Teachers, Policymakers, and the Public