SCO Family of Services provides a caring continuum of programs to help New York’s most vulnerable children, families and individuals. We deliver direct services to more than 30,000 people each year at more than 120 locations throughout New York City and Long Island.

Since SCO Family of Services was established in 1897, we have been serving the needs of impoverished children and families. Our partnerships with government, foundations, individuals, and other neighborhood agencies allow us to help those in need. Learn more about how we help: www.sco.org

Please note: In addition to these program sites, SCO oversees more than 1,000 foster homes throughout the metropolitan area.
DEAR FRIENDS,

Here at SCO, we provide services that are highly specialized and tailored to the unique needs of children and families. We have a reputation and a passion for helping populations who are too often underserved and overlooked. This year we continued and expanded our commitment to those in need.

We experienced many exciting achievements in 2006. We opened a new state-of-the-art Early Childhood Center to serve young families in the high-need Bedford-Stuyvesant community. We launched SCO Works – an internship program that gives job opportunities to teens coming out of foster care. And perhaps our proudest achievement was passing the rigorous accreditation process of the Council on Accreditation for Children and Family Services with an outstanding rating of 99.26%...a testament to the dedication and abilities of everyone in the SCO organization. Please take a moment to learn more about some of our other programs and highlights and see what’s in store in the coming months.

Our supporters and partners can and do rely on us to deliver the highest quality of services with the greatest efficiency possible. Ninety-three cents out of every dollar SCO receives goes directly to help children and their families. We have one of the lowest administration rates in the social services industry. Our dedication to the work we do carries through to the way we run our organization.

Ours is a large and diverse array of services. The needs are complex. The solutions are rarely easy or immediate. It is difficult work, but it is also very rewarding. We look forward to facing the challenges in the coming year with the same passion and conviction that we always have. And with your continued support, we will bring hope to thousands more children and families in our community.

Sincerely,

Douglas Schloss
Chairman of the Board

Robert J. McMahon
Executive Director
FOSTER CARE AND ADOPTION
We move families from crisis to safety, using a family-centered approach that facilitates the successful reunification of children and their families.

On a daily basis, we provide temporary homes for more than 1,300 children in foster homes across the metropolitan area.

Always, our goal is to provide permanent families for children. In 2006, 245 children were safely returned home and we facilitated more than 130 adoptions.

SERVICES AND HOMES FOR TEENS
We work to empower youth to overcome obstacles on the path to self-sufficiency.

Our 30 community residences for teens include residences for teen mothers and their babies, group homes for teens facing extraordinary challenges and homes for GLBTQ youth.

We work with these young people to help them rebuild family and other connections, establish supportive new relationships with caring adults and build community connections so that they can return to the most family-like setting possible.

FAMILY COUNSELING AND PREVENTIVE SERVICES
We provide a comprehensive range of services to sustain and nurture the family, ensure the well being of the community’s children, and create an environment where youth can emerge as confident, capable adults.

These services are concentrated in three communities: Bedford Stuyvesant (Family Dynamics), Sunset Park (Center for Family Life) and Northwest Queens.

SCHOOLS
We give children and young adults the tools they need to succeed.

We operate 3 special education schools serving the children who reside at our Ottlie and Madonna Heights Campuses and at St. Christopher’s Home in Sea Cliff. We also operate two schools for at-risk teens and an additional two schools are currently on the drawing board for Queens.

PROGRAMS IN PUBLIC SCHOOLS
We provide After-School and Community Enrichment programs in two Brooklyn neighborhoods – Bedford Stuyvesant and Sunset Park.

Our after school, evening, and weekend services work with more than 4,000 children and families under the auspices of Family Dynamics and the Center for Family Life.
HIGHLIGHTS 2006

In 2006, SCO Family of Services again experienced exciting growth that allowed us to expand our programs, further enhance the quality of our services, and extend our reach to more children and families in need throughout the metropolitan area.

NEW EARLY CHILDHOOD CENTER OPENS IN BEDFORD-STUYVESANT

SCO opened an Early Childhood Center at 1221 Bedford Avenue. In addition to providing programmatic strategy and funding, Robin Hood Foundation made possible the design and construction of the new 5,000-square-foot center that is home to three programs focused on early childhood development. One of the programs, Nurse-Family Partnership, is a strategic initiative in Mayor Michael Bloomberg’s Anti-Poverty Plan.

ACS AWARDS $1.1 MILLION TO CREATE MORE “FAMILIES FOR TEENS”

SCO is the largest provider of foster care services in New York. Because of our expertise in this area, the NYC Administration for Children’s Services (ACS) awarded an additional $1.1 million to SCO to enhance our foster family recruitment, training and services for teenagers.

SCO PASSES RIGOROUS ACCREDITATION PROCESS WITH FLYING COLORS

The Council on Accreditation (COA) partners with human service organizations worldwide to improve service delivery outcomes by developing, applying, and promoting accreditation standards. In 2006, SCO received an outstanding rating from COA – fully complying with 99.26% of all COA standards.

“SCO WORKS” GIVES YOUTH JOBS – BUILDS LIFE SKILLS AND SELF-ESTEEM

SCO operates a network of residences and supervised apartments for young adults in need of temporary respite, including youth in foster care. SCO provides a variety of on-site services for youth designed to help prepare them for independence. In 2006, in partnership with the Heckscher Foundation, SCO launched “SCO Works” – an internship program that gives our young people job opportunities. For most of our youth, these are their very first jobs and the very first paychecks they have ever earned.

FAMILY DYNAMICS EXPANDS FAMILY REHABILITATION PROGRAM

The Family Rehabilitation Program is a preventive program that helps families facing substance abuse problems. The program includes both in-home services such as one-on-one counseling and referrals as well as center-based services such as parenting workshops, anger management groups and other support groups. ACS recently collaborated with Family Dynamics to expand its program to reach an additional 30 families per year.

MADONNA HEIGHTS STUDENTS TAKE TOP HONORS IN ART CONTEST

Students in the therapeutic arts program at Madonna Heights School took first place in the Holocaust Memorial & Tolerance Center of Nassau County’s 10th Annual Visual Arts Competition. Also, numerous works were selected for exhibition at Nassau Community College.

CENTER FOR FAMILY LIFE ADVOCATES FOR NEW SCHOOL IN SUNSET PARK

The Sunset Park High School Task Force – which our youth leaders helped organize – became a catalyst for the groundswell of support and media coverage for the long-needed public high school in Sunset Park, Brooklyn. In a ceremony on the site of the future high school, the governor, the mayor, and other elected officials came together to sign the legislation necessary to ensure that the Sunset Park High School is realized by 2009.
## Revenue

<table>
<thead>
<tr>
<th>Description</th>
<th>June 30, 2006</th>
<th>June 30, 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current year program revenues</td>
<td>141,087,161</td>
<td>128,195,563</td>
</tr>
<tr>
<td>Prior years' cost reimbursement adjustments</td>
<td>531,291</td>
<td>436,408</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>4,163,895</td>
<td>3,644,540</td>
</tr>
<tr>
<td><strong>Total program revenue</strong></td>
<td><strong>145,782,347</strong></td>
<td><strong>132,276,511</strong></td>
</tr>
</tbody>
</table>

## Direct Program Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>June 2006</th>
<th>June 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract programs</td>
<td>45,707,425</td>
<td>34,667,955</td>
</tr>
<tr>
<td>Foster boarding homes</td>
<td>24,976,240</td>
<td>26,333,582</td>
</tr>
<tr>
<td>Group homes</td>
<td>13,407,051</td>
<td>12,586,897</td>
</tr>
<tr>
<td>Medicaid programs</td>
<td>9,617,847</td>
<td>9,314,723</td>
</tr>
<tr>
<td>Residential treatment facilities</td>
<td>9,698,759</td>
<td>9,282,080</td>
</tr>
<tr>
<td>Individual residential alternative</td>
<td>7,325,997</td>
<td>6,948,249</td>
</tr>
<tr>
<td>Schools</td>
<td>7,934,884</td>
<td>6,781,425</td>
</tr>
<tr>
<td>Intermediate care facilities</td>
<td>5,912,551</td>
<td>5,616,345</td>
</tr>
<tr>
<td>Shelter programs</td>
<td>2,172,896</td>
<td>2,132,783</td>
</tr>
<tr>
<td>Enhanced independent living</td>
<td>1,046,872</td>
<td>992,401</td>
</tr>
<tr>
<td><strong>Total direct program expenses</strong></td>
<td><strong>137,236,982</strong></td>
<td><strong>124,663,476</strong></td>
</tr>
</tbody>
</table>

## Management and Other Indirect Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>June 2006</th>
<th>June 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management and general</td>
<td>10,306,381</td>
<td>8,985,609</td>
</tr>
<tr>
<td>Fund raising</td>
<td>278,741</td>
<td>252,875</td>
</tr>
<tr>
<td><strong>Total management and other indirect expenses</strong></td>
<td><strong>10,585,122</strong></td>
<td><strong>9,238,484</strong></td>
</tr>
</tbody>
</table>

## Total Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>June 30, 2006</th>
<th>June 30, 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total expenses</strong></td>
<td><strong>147,822,104</strong></td>
<td><strong>133,901,960</strong></td>
</tr>
</tbody>
</table>

## Change in Net Assets from Operations

<table>
<thead>
<tr>
<th>Description</th>
<th>June 30, 2006</th>
<th>June 30, 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Change in net assets from operations</strong></td>
<td>(2,039,757)</td>
<td>(1,625,449)</td>
</tr>
</tbody>
</table>

## Contributions and Other Revenue

<table>
<thead>
<tr>
<th>Description</th>
<th>June 30, 2006</th>
<th>June 30, 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>* Contributions and other income</td>
<td>1,395,403</td>
<td>1,737,019</td>
</tr>
<tr>
<td>Interest and dividend income, net</td>
<td>620,984</td>
<td>625,705</td>
</tr>
<tr>
<td>Realized gain or (loss) on sale of marketable securities</td>
<td>0</td>
<td>51,999</td>
</tr>
<tr>
<td>Change in unrealized appreciation of investments</td>
<td>593,713</td>
<td>417,251</td>
</tr>
<tr>
<td><strong>Total Support and Other</strong></td>
<td><strong>2,610,100</strong></td>
<td><strong>2,831,974</strong></td>
</tr>
</tbody>
</table>

### Notes
* Donations restricted to program, amounting to $5,135,529 for the fiscal year ending on June 30, 2006, are listed on page 4 of our audited financial report. For a complete copy of this report, please call the Development Office at 516-671-1253.
**Chairman’s Circle** ($35,000+)
- Mr. & Mrs. Keith Anderson
- Anonymous
- Benjamin S. Bram
- Anne L. Peretz
- Mr. & Mrs. Douglas Schloss

**Benefactors** ($20,000+)
- Mr. and Mrs. Leonard Genovese
- Dennis Hackett
- Madonna Heights Ladies Auxiliary
- Seaboard Securities, Inc.
- The Treiber Family Foundation
- Mr. & Mrs. H. Craig Treiber
- The Tyree Company
- Whitbons Culinary Group

**Stewards** ($15,000+)
- Photeine M. Anagnostopoulos & James Stynes
- Astoria Federal Savings
- Astoria Federal Savings
- Mr. and Mrs. Gandolfo V. DiBlasi, Esq.
- Getty Petroleum Marketing, Inc.
- Josephine W. Kiemler
- Koehler Masonry Corporation

**Guarantors** ($10,000+)
- Dr. Philip Bonanno and Dr. Dorothy Whalen
- Citigroup Global Markets, Inc.
- Colonial Wire & Cable Co.
- Mr. and Mrs. John D’Addario
- Richard A. Lennon
- Link’s Trading LLC
- Mr. and Mrs. Joseph Mancino
- Mr. and Mrs. Kevin T. McAteer
- Merrill Lynch
- Morgan Stanley
- Mr. & Mrs. William F. Tyree
- Mr. and Mrs. Lee Vance

**Patrons** ($5,000+)
- Aetna, Inc.
- Ahmuty, Demers & McManus
- Mr. and Mrs. William Ahmuty III
- American Manhasset
- Amherst Securities Group
- Mr. & Mrs. Scott Amero
- Arnone, Lough, Fanning, Wilson & Liebowitz
- Banc of America Securities, LLC
- Barclays Capital
- Mr. & Mrs. Francis Baxter
- Bear, Stearns & Co., Inc.
- BlackRock Financial Management
- BNP Paribas
- Mr. and Mrs. Henry Brenchel

**Cantor Fitzgerald and Co.**
- C & B Consulting Group, Inc.
- Chem Rx Long Term Care
- Pharmacy
- CIBC World Markets
- Patricia L. Cook
- Credit Suisse Securities, LLC
- Deutsche Bank
- Mr. and Mrs. Thomas N. Dufek
- Lori & Laurence Fink
- Freddie Mac
- Goldman, Sachs & Co.
- Ben Golub
- Mr. and Mrs. Dennis Henchey
- HSBC Global Markets
- JP Morgan Chase
- Ellen & Rob Kapito
- Kelso & Company
- LaBranche & Co., Inc.
- Mr. and Mrs. Alfred Lepore
- Marathon Asset Management
- MarketAxess Holdings, Inc.
- MKP Capital Management, LLC
- Mr. and Mrs. Stephen V. Murphy
- New York Recyclers
- Nomura Securities
- Optimum Lightpath, Inc.
- State Bank of Long Island
- Steel Equities
- Thomson TradeWeb
- Tyree Travel, LTD
- UBS Investment Bank
- Vassallo & Associates
- Wachovia Capital Markets
- Bonnie T. Webster
- Wheatley Agency, Inc.

**Partners** ($2,000+)
- 4C Foods Corp.
- Joseph Azznara
- Mr. and Mrs. Michael L. Bader
- Mr. and Mrs. Roger L. Bahnik
- Mr. and Mrs. L. Jeffrey Baldwin
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- Bank of New York
- Mr. and Mrs. Alvin Benjamin
- Bethpage Federal Credit Union
- Bloomberg
- Mr. and Mrs. Bruce Bolander
- Christie & Scott D. Krase
- Mr. and Mrs. Joseph J. Labriola
- CitiGroup
- Countrywide Securities Corporation
- CIBC World Markets
- Deutsche Bank
- Mr. and Mrs. Thomas N. Purchase
- Mr. and Mrs. Peter Quick
- CitiGroup Global Markets, Inc.
- Colonial Wire & Cable Co.
- Mr. and Mrs. John D’Addario
- Lehman Brothers
- Mr. and Mrs. Vincent J. DeLaurentis
- Mr. and Mrs. Daniel C. Deasy III
- Mr. and Mrs. John D. Deasy
- Goldstein & Associates
- Higgins Fire Protection
- John E. Hill Associates, Inc.
- Mr. and Mrs. Peter K. Hunt
- ITG, Inc.
- Jackson Lewis LLP
- John Jennings
- John Katzman & Alicia Ernst
- Sharon K. Kilmer
- Christie & Scott D. Krase
- John T. Marston
- Metro Environmental Services
- Mutual of America
- Mr. and Mrs. John W. Near
- Michael J. Pizzo
- Mr. and Mrs. Thomas N. Purchase
- Mr. and Mrs. Peter Quick
- Metro Environmental Services
- Mutual of America
- Mr. and Mrs. John W. Near
- Michael J. Pizzo
- Mr. and Mrs. Thomas N. Purchase
- Mr. and Mrs. Peter Quick
- RBC Capitol Markets
- Gregory C. Riley
- Rivkin, Radler LLP
- Rockton Securities LLC
- Rothco
- Edward R. Sacks

**2006 DONOR LIST**
AWAY FROM YOUR FAMILY

RAMONA H.

Being away from your family is very hard and upsetting. It hurts. I don't know my family – never seen or heard from them. I don't even know if they are dead or alive. For all the kids in SCO who can relate to my problems, when you grow up and have your own family, make sure that you are there for your kids. Give them the love that you never had. Show them you care.

IN THEIR OWN VOICE

Each day can be a struggle for those with cognitive and emotional limitations, as well as, in many cases, a lack of family support. These two young adults are very typical of those served at the Ottilie Residential Treatment Facility.

“Our role is to provide these kids with the skills, the drive and the hope for a better today and better tomorrow.”

— Jim Nyreen
Assistant Executive Director,
Mental Health Programs

GROWING UP

JACK F.

Believe it or not, I am 6 feet 5 inches tall. However, inside I am still a kid. I do not want to grow up. I wish Never Neverland was a reality. I do not want to have responsibility. I do not want to answer to grown ups. But kids have to grow up one day in their lives. I’m 19 years old and I need to grow up, but it will be very hard.
BOARD OF DIRECTORS

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Douglas Schloss

Vice Chairman
Dennis E. Henchy

Vice Chairman
H. Craig Treiber

Secretary
Edward W. Stack

Assistant Secretary
Photeine M. Anagnostopoulos

Treasurer
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Chief Financial Officer
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Director of Human Resources
Roslyn Marett

Assistant Executive Director
Programs for the Developmentally Disabled
Susan Moran

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Mental Health Programs
James Nyreen

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Adolescent Services
Douglas O’Dell

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Family Foster Care and Adoption
Mary Odom

Assistant Executive Director
Business Operations
Dan Randazzo

Director of Finance
Amparo Robayo

Assistant Executive Director
Special Assistant to the Executive Director
Renee Skolaski-Anderson

Assistant Executive Director
Madonna Heights Services
Rosemary Stein

Director of Institutional Advancement
Renee Swanson

Assistant Executive Director
Family Dynamics and Selected Programs
Art Zanko

Design: Rebecca Lown Design
FAST FACTS

- 2006-2007 Revenues: $161 Million
- 2005-2006 Revenues: $148 Million
- Administrative Costs: 7%
- Employees: 3,015
- Number of Program Sites: 123
- Number of People Served: 30,000+ Annually
- Service Delivery Areas: Brooklyn, Bronx, Manhattan, Queens, Staten Island, Long Island
- Core Service Areas
  - Foster Care & Adoption
  - Homes & Services for People with Developmental Disabilities
  - Homeless Residences & Services
  - Early Childhood Education
  - Schools
  - Programs in Public Schools
  - Family Counseling & Preventive Services
  - Services and Homes for Teens
  - Mental Health Programs & Homes

Executive Offices
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516.671.1253
www.sco.org