IN MEMORY
this annual report IS DEDICATED TO THE MEMORY OF FOUNDERING BOARD MEMBER MARY WOLF AND LONG-TIME BOARD MEMBER AND TREASURER LOUIS LIPSCHITZ.

For 33 years, Mary’s dedication to NAC never wavered. Lou served on the Board for 16 years and never missed an opportunity to give back directly to our children and families. Thanks to the legacy he left, the Lou Lipschitz Scholarship Fund has been established to help NAC youth achieve their educational goals. Mary and Lou were an integral part of NAC’s family and will be sorely missed.

Advisory Directors
Alan R. Fleischman, MD
Margaret Grey, Dr. Phil
K.D. Hendrick-Miller, MD
Sandra E. Lerner
Cecily Truett

Directors Emeriti
Virginia Aaron
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OUR MISSION

NEW ALTERNATIVES FOR CHILDREN (NAC) was founded on the belief that ALL CHILDREN HAVE THE RIGHT TO BE NURTURED WITHIN A SAFE AND PERMANENT FAMILY.

NAC’s mission is to provide innovative, high quality services in support of birth, foster, and adoptive families caring primarily for medically fragile children, which includes children with severe physical disabilities, emotional and behavioral challenges, and developmental disabilities. NAC’s services enable children to remain in or to be returned to their families whenever possible or to be adopted by loving families. Working with children whose birth families live in poverty, NAC’s continuum of services ensures that children’s physical, social, educational, recreational, medical, and mental healthcare needs are met.

By supporting families NAC prevents lengthy stays in foster care, hospitals, or other institutions. NAC builds on family strengths, provides opportunities, and assists all family members in reaching for and achieving their potential.

NAC serves New York City’s most vulnerable children—those who are living in poverty, have a profound disability, chronic illness or mental health diagnoses, and have experienced or are at risk of experiencing abuse and/or neglect.

NAC families face enormous challenges—intergenerational poverty, traumatic histories, mental illness, domestic violence and homelessness—while trying to care for a child, or many children, with serious medical and/or mental health needs. NAC confronts the great challenges that our families face with comprehensive support and services, providing families with hope and stability and children with an alternative to a life of institutionalization and public dependence.

Diagnoses of NAC children include:

- autism
- cerebral palsy
- spina bifida
- muscular dystrophy
- traumatic brain injury
- heart disease
- diabetes
- asthma
- sickle cell anemia
- cancer
- Down syndrome
- severe burn injuries
- HIV/AIDS
- developmental disabilities
- brittle bone disease
- renal failure
- blood and genetic disorders

 Clients Served by Program | Children | Families | Parents | Visits
---|---|---|---|---
Special Medical Preventive Services | 658 | 235
Special Medical Foster Care & Adoption | 208 | 88
Partners in Parenting (PIP) | 121 | 57
Part-Legal Adoption Network (PLAN) | 126 | 65
Bridges to Health (B2H) | 238 | 171
Artista 28 Medical Clinic | 645 | - | 53 | 1,203
Artista 31 Mental Health Clinic | 208 | 105 | 5,808
Additional | 55 | 54

NAC serves 3,454 children and parents in 2014 through our medical clinic, mental health clinic and 52 programs and family services.
NAC’s award-winning programs save lives, are cost effective, facilitate timely reunifications and adoptions, and help prevent medically fragile children and families from entering or returning to the child welfare system.

CHILD WELFARE PROGRAMS

Foster Care & Adoption Program
• Special Medical Foster Care & Adoption Services
• Treatment Family Foster Care for children with dual medical and mental health issues
• Foster/Adoptive Homefinding Services

Bridges to Health (B2H)
• Health Care Integration Services
• Intensive In-Home Intervention Services

Child Abuse and Neglect Prevention Program
• Special Medical Preventive Services
• Healthy @ Home

AFTERCARE PROGRAMS

Partners In Parenting (PIP)
Post Preventive Program
• Prevention Aftercare

Post Legal Adoption Network Program (PLAN)
• Adoption Aftercare

NAC’s model pairs every family with a Master’s-Level Social Worker and Nurse in each of our core programs.

INTERDISCIPLINARY PROGRAM SUPPORT SERVICES

Educational Services
• Educational Advocacy & Support
• Early Literacy
• Tutoring
• College Bound Program
• Parenting Skills Education
• Literacy for All Book Fair
• Educational Scholarship Funds

Youth Development Services
• New Horizons for Kids
• Mentoring
• Adoption Mentoring
• Vocational Services
• Preparing Youth for Adulthood Program
• Alumni Group

Recreational Services
• Social Skills Building Groups
• Community Workshops & Activities
• Holiday Events
• NAC Kids Olympics
• Art, Music & Drama Programs
• Pet-Assisted Therapy
• Recreation Groups & Activities
• Summer Camp Placement & Scholarships

COMPREHENSIVE HEALTHCARE CENTER

Article 31 Mental Health Clinic
• Psychiatric & Psychological Diagnostic Assessments
• Parental Psychological Evaluations
• Individual, Family & Group Therapy
• Creative Arts Therapies
• Building Blocks: Nurturing Parent-Child Bonding Program

Article 28 Medical Clinic
• Developmental Behavioral Pediatrics
• Development & Medical Evaluations
• Nursing Services
• Preventive Care & Health Education
• Care Coordination
• Medical Training
• Nutritional Services

Families have access to a multi-disciplinary team of professionals and services onsite that support them toward achieving goals of permanency, stability and independence.

Referral, Advocacy, Emergency & Auxiliary Services

• Homelessness Prevention Program
• After-school & Recreational Referral
• GED & ESL Referral
• Benefits Advocacy
• Food, Clothing & Toy Banks
• Emergency Financial Assistance Grants
• Medical Equipment Funding
• 24 Hour Crisis Hotline

Transportation Services
• Door-to-Door Accessible Transportation

Families have access to a multi-disciplinary team of professionals and services onsite that support them toward achieving goals of permanency, stability and independence.
For most of his early life, 7-year-old Leo lived in a children’s hospital; his family was in and out of shelters and not equipped to care for his cardiac condition. He went home for the first time in January of 2014, and NAC’s Preventive Services Program was there to make sure he would be healthy and safe and prevent the need for him to return to the hospital. NAC’s Social Workers and medical staff worked with Leo to ensure he and his family got the comprehensive care they needed, at the time when they needed it most. Today he has lots to smile about. Leo loves school, his medical condition is under control and with NAC’s help, the family now has the basic necessities to maintain stability in their own home.

NAC’s Preventive Services Program for medically fragile children in NYC - keeping 658 children safe from abuse and neglect in 2014

100% OF NAC CHILDREN in Preventive Services avoided foster care placement last year.

98.5% THE SCORE NAC RECEIVED from the NYC Administration for Children’s Services for keeping children safe from abuse and neglect after they have left NAC’s Preventive Services program.

$27 million SAVED IN 2014 by preventing 647 medically fragile children from entering higher levels of care.

NAC has the LARGEST Preventive Services Program for medically fragile children in NYC – keeping 658 children safe from abuse and neglect in 2014.
Matthew spent the first four years of his life in a hospital. His family visited him there every day, but with many other children at home and limited resources, they simply could not care for his severe medical needs. Wheelchair-bound and non-verbal, Matthew also has chronic lung disease and global development delays. NAC’s Foster Care & Adoption program got involved and found him a loving foster family with Ms. Simpson. Under her care and with NAC’s coordinated support services, he got better and better — his health improved, he left the hospital, and he blossomed in school. In November of 2014, Ms. Simpson adopted Matthew and formally made him part of her family, where he has developed close bonds with his new brothers and sisters. Today, when he’s not in school or in physical therapy, Matthew is watching his idol, wrestler John Cena.

Matthew's Story

When a child cannot remain safely at home, NAC steps in with Foster Care & Adoption services tailored to meet the extraordinary needs and challenges of medically fragile children, assuring that they are safe and living in homes that are nurturing and loving. NAC works with both birth families and foster parents concurrently to plan for reunification or adoption. As a result, our children spend less time in foster care and virtually never age out without a family to call their own. At NAC, we make sure there’s a home — and a heart — for every child.

NAC is one of six original Bridges to Health (B2H) agencies in New York City to offer specialized “add-on” foster care services to ensure that the most challenging children in foster care avoid institutionalization and remain safely with their adoptive or birth families.

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35
Medically Fragile Children
in NAC foster care who were adopted by their foster parents or safely reunified with birth families in 2014.

100%
Of the NAC Children
adopted in 2014 were adopted by their NAC foster parents, avoiding disruptive and traumatic moves.

ZERO
The Number of Children
who came back into foster care after being adopted or reunified with birth families in Fiscal Year 2014.

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When she was born, doctors told Nina's parents that she would never walk. One of three triplets, she has spina bifida and rocker bottom feet, and was hardly speaking when she came to NAC at two years old. At the time, Nina's parents were overwhelmed and didn't know where to turn. Luckily, they were referred to NAC's Partners In Parenting program. Today, after eight surgeries on her feet and lots of intensive therapy, Nina is walking on her own. Because of the work NAC's social worker did with the family and efforts of our educational advocacy team, the family is thriving and Nina is excelling in school. She's moved from a wheelchair to a walker and is working on crutches next: she's asserting her new independence by getting involved in as many after school activities as possible, making new friends and says that she wants to be a teacher or a nurse when she grows up.

**NINA'S STORY**

**BUILDING STABLE FUTURES**

Families caring for children with extraordinary medical, developmental and mental health issues need a safety net. At NAC that is called Aftercare. With as many as 56% of children in New York State returning to Preventive Services within a year of leaving the program and as many as 14% of children with disabilities returning to foster care after being adopted, the smallest crisis can put a family right back where they started. That is why NAC’s services do not end when a family leaves the child welfare system.

The Partners In Parenting (PIP) aftercare prevention program and the Post Legal Adoption Network (PLAN) provide a continuum of care to ensure that families do not recidivate and that children remain safe and stable in the community. Beyond permanency, we help our children to achieve a lifetime of positive outcomes from meeting their educational goals to preventing medical or mental health crises and achieving independence.

**MAKING A DIFFERENCE WITH AFTERCARE**

100% of children served in our aftercare programs avoided placement or reentry into foster care in 2014 because of PIP and PLAN’s services.

96% of families in PIP actively participated in NAC’s medical, mental health, educational, vocational and/or parenting skills training programs.

ZERO the number of adoption dissolutions (when a child who has been adopted returns to foster care) among families served in PLAN.

100% of children served in our aftercare programs avoided placement or reentry into foster care in 2014 because of PIP and PLAN’s services.
Sara’s family was moving from state to state, trying to find a stable living situation and the right medical care for her younger brother, who has a rare genetic condition. Because Sara spent most of her time helping to care for her brother’s medical needs and her siblings at home, she spent less time on her school work. When the family moved to New York and found NAC, they finally got the best medical care for their son and settled down. Which meant NAC’s College Bound program could step in to help get Sara back on track at school. With greater stability and guidance, Sara worked hard to get her grades up and got involved in extracurricular activities from dance to volunteering. Today she’s auditioning for a dance scholarship to Temple University and thinking about a career in nursing.
BUILDING HEALTHY FUTURES

NAC is known for its expertise in treating children with significant medical conditions who have also experienced trauma. That is why our innovative model incorporates top-notch medical and mental health care for the entire family, all in one location. The NAC Comprehensive Healthcare Center (CHC) integrates onsite licensed Article 28 Medical and Article 31 Mental Health Clinics with our child welfare and social service support programs. Our healthcare team, consisting of a Developmental Pediatrician, Nurses, Psychiatrists, Psychologists and Psychotherapists, work together to change the trajectory of many of our children’s lives through their knowledge, care and commitment to responsive, quality healthcare.

COST OF CARE

The specialized population that NAC serves is the most expensive to neglect.

By preventing long-term foster care, hospitalization, and institutionalization of at-risk medically fragile children, NAC saves millions in taxpayer money.

EVERY NAC CHILD

Every NAC child has a nurse assigned to his or her care and is seen in our Comprehensive Healthcare Center.

100% OF NAC’S FOSTER PARENTS

100% of NAC’s foster parents are evaluated by our Psychiatrist to guarantee a “good match” with a foster child, ensuring that the child will not have to move to different foster homes while in care.

84% OF PARENTS IN NAC’S BUILDING BLOCKS PROGRAM

84% of parents in NAC’s Building Blocks program showed improved nurturing relationships with their children after only 4 months in therapy.

$650,000+ ANNUALLY

Minimum cost of hospitalization of a child with a chronic medical condition.

$300,000 ANNUALLY

Cost of institutionalization of a child with a disability.

$46,000 ANNUALLY

Cost of providing Special Medical Foster Care for a child with a profound medical condition at NAC.

$13,500 ANNUALLY

Cost of providing Special Medical Preventive Services for a family caring for one or more medically fragile children at NAC.

$6,000 ANNUALLY

Cost of providing “aftercare” (NAC’s PIP and PLAN programs) services for a family caring for one or more medically fragile children.

THE SPECIALIZED POPULATION THAT NAC SERVES IS THE MOST EXPENSIVE TO NEGLECT.

By preventing long-term foster care, hospitalization, and institutionalization of at-risk medically fragile children, NAC saves millions in taxpayer money.
NAC has begun construction on a 10,000 square foot floor at our main offices on West 26th Street that will soon be home to our new state-of-the-art Comprehensive Healthcare Center. A new Center means that NAC will have the capacity to offer expanded medical and mental health services to treat even more medically fragile children and their families. NAC was able to begin this project thanks to the generosity of the NAC Board of Directors and our many, many friends who supported the construction of the Center at the 2014 NAC Kids Gala.

We are especially grateful to the following individuals and foundations:

**February**
- **NAC Young Professionals Committee** developed a new strategic plan and added 16 members, with the goal of raising $25,000 annually for the NAC kids Olympics.

**August**
- NAC is awarded $1 million grant, from the New York State Department of Health for the new **Healthy @ Home** program to prevent or reverse institutionalization of children with profound medical and mental health needs.

**October**
- NAC Can Gala Benefit raises $2.33 million, thanks to Honoree James Cornelius, Chairman of Bristol-Myers Squibb and Mabie Johnson Nutrition.

**December**
- Mobile Medical Van: NAC goes shopping to purchase a specialized mobile medical clinic, as part of the **Healthy @ Home** program, to bring NAC’s exemplary care to medically fragile children in their own community.

**NAC’s Comprehensive Healthcare Center is Expanding**

For the past 33 years, NAC has been successful because we developed our programs in response to the needs of our children and families. NAC continues to build for the future and ensure that every medically fragile child in need has the opportunity to succeed. 2014 was a busy year of expansion, raising awareness and making new NAC friends and supporters.

For more information, visit [nac.org](http://nac.org).
### Financial Information

#### Statement of Financial Position June 30, 2014

<table>
<thead>
<tr>
<th>Assets</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$202,736</td>
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<tr>
<td>Receivables from Government Agencies</td>
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<td>Receivables from Contributions and Grants</td>
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<td>Prepaid Expenses</td>
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<td>Security Deposit</td>
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<td>Fixed Assets (net of accumulated depreciation)</td>
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<td>Other Assets</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$4,970,778</strong></td>
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<tr>
<th>Liabilities And Net Assets</th>
<th>Amount</th>
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<tr>
<td>Accounts Payable and Accrued Expenses</td>
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<td>Auto Loan Payable</td>
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<td>Line of Credit – Bank</td>
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<td>Construction Loan</td>
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<td>Term Notes Payable – Bank</td>
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<td>Contract Advances</td>
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<td>Deferred Rent</td>
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<td><strong>Total Liabilities</strong></td>
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<th>Net Assets</th>
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<td>Unrestricted</td>
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<td>Temporarily Restricted</td>
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<td><strong>Total Net Assets</strong></td>
<td><strong>$2,160,590</strong></td>
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<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td><strong>$4,970,778</strong></td>
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#### Statement of Activities June 30, 2014

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>NYC Administration for Children’s Services, Foster Care &amp; Adoption</td>
<td>$5,762,039</td>
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<tr>
<td>NYC Administration for Children’s Services, Preventive Services</td>
<td>2,040,849</td>
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<tr>
<td>Medicaid – Comprehensive Healthcare Center</td>
<td>779,480</td>
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<tr>
<td>Medicaid – Bridges to Health</td>
<td>5,229,287</td>
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<td>Government Discretionary Grants</td>
<td>130,290</td>
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<td>NYS Department Of Health</td>
<td>770,509</td>
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<td>Foundations, Corporations and Individuals</td>
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<td><strong>Total Revenue</strong></td>
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<table>
<thead>
<tr>
<th>Expenditures</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Foster Care &amp; Adoption/Therapeutic Foster Care</td>
<td>8,022,560</td>
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<tr>
<td>Preventive Services</td>
<td>2,231,732</td>
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<tr>
<td>Comprehensive Healthcare Center (CHC)</td>
<td>1,684,593</td>
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<tr>
<td>Bridges to Health (B2H)</td>
<td>4,395,126</td>
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<tr>
<td>Affiliates (PIP and PLAN)</td>
<td>570,362</td>
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<td>New Horizons for Kids</td>
<td>270,920</td>
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<td>Management and General</td>
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<td><strong>Total Expenses</strong></td>
<td><strong>$19,272,279</strong></td>
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<td>Excess of Income over Expenses</td>
<td>21,994</td>
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A copy of New Alternatives for Children’s most recent audited financial statement is available upon request. Auditors: WeiserMazars LLP, 135 West 50th Street, New York, NY 10020

### Revenue

Year Ending June 30, 2014

NYC Administration for Children’s Services, Foster Care & Adoption 29.86%
NYC Administration for Children’s Services, Preventive Services 10.58%
Bridges to Health Services (B2H) 27.21%
Comprehensive Healthcare Center (CHC) Medicaid 4.04%
NYS Department Of Health 3.99%
Foundations, Corporations and Individuals 10.2%
Government Discretionary Grants 1.71%
Special Event 10.96%
Construction Contributions 1.33%
Interest and Other Income 0.23%

### Expenditures

Year Ending June 30, 2014

Foster Care & Adoption 41.62%
Preventive Services 11.58%
Bridges to Health (B2H) 22.79%
Comprehensive Healthcare Center (CHC) 8.74%
Affiliate Programs (PIP and PLAN) 2.96%
New Horizons for Kids 1.41%
Management and General 8.22%
Fund-Raising 2.68%