

Odyssey House
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35 YEARS OF INNOVATION



Odyssey House
2002 Annual Report



Mission

- It is the mission of Odyssey House to:
- Provide comprehensive and innovative services to the broadest range of metro New York's population who:
 - Abuse drugs
 - Abuse alcohol
 - Have mental illness
 - Provide high quality, holistic treatment impacting all major life spheres:
 - Psychological, physical, social, family, educational, and spiritual
 - Support personal rehabilitation, renewal, and family restoration

Throughout its activities Odyssey House undertakes to act as a responsible employer and member of the community and to manage the assets of the organization in a professional manner.

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Chairman's Letter



Odyssey House began treating people with addictions in 1967. Since then we have helped more than 30,000 men, women, and children achieve sobriety and dignified lives.

We now have 900 treatment slots, of which 770 are residential beds and apartments, and employ a staff of 300 at eight locations. A senior management team, headed by Dr. Peter Provet, our President and Chief Executive Officer, is working with the Board of Trustees to ensure that Odyssey House continues its goal of increasing community access to rehabilitative services and expanding its programming to meet the needs of a wide cross-section of substance abusers including single adults, adolescents, mothers with children, the mentally ill, and the elderly.

These priorities follow a strategic plan developed by the Board in concert with the management team, which places emphasis on Odyssey House's growth as a provider of quality, cost-effective care for the broadest range of drug abusing populations.

As we move forward, we strive for greater efficiency in order to make sure that our funders are getting their money's worth. Among the issues we are addressing are the new demands that will be made upon our facilities if the courts pursue an important trend to stress treatment rather than incarceration for low-level drug offenders. We also continue to look closely at employee issues. Quite simply, we want to be the employer of choice—to retain our staff and to continue to attract the best in the field. With this goal in mind we continually seek to ensure that our wages and benefits are competitive, while we develop enhancements such as a commitment to continuing education and in-house recognition programs.

We have reconstituted our research department. Included in its mandate is the collation of data on a range of treatment indicators derived from on-site clinical assessments. The data gathered includes how long residents stay in treatment, and their completion of educational, social, and vocational goals, response to

medical care and attainment of abstinence. These data, which are also made available to outside researchers and auditors, promote Odyssey House as an innovator in research, help us provide appropriate clinical services, and support our solicitation efforts directed at new funding sources.

This commitment to research grows out of a rich tradition that firmly places Odyssey House in the forefront of treatment advancement. For 35 years, thousands of families have turned to Odyssey House for help when a loved one's life is in danger from drug abuse. Others find their way to us from homeless shelters and drug courts. However they reach us, every man, woman, and child in our care receives the same high standard of treatment.

No one is turned away from Odyssey House because of an inability to pay. For this we are grateful to our partners in government who provide the majority of our funds, and our friends in the private sector whose generous gifts help us extend and enhance our services.

I also wish to extend my ongoing gratitude to my fellow board members, and to join everyone at Odyssey House in mourning the loss of Dr. Essie Lee, who served as an active board member for more than 15 years. We miss her wisdom and dedication to the Odyssey House mission. Attracting new members to our governing organizations is a special priority, and we are pleased to welcome Richard O'Connor and Hugh Jones to the House and Foundation boards, and Deborah Hurley to the Foundation board.

George Rosenfeld
Board Chairman

“For 35 years, thousands of families have turned to Odyssey House for help when a loved one's life is in danger from drug abuse...no one is turned away because of an inability to pay.”

Message from the President



Odyssey House exists to serve men and women whose lives have been thrown into chaos by substance abuse. We provide these people with the tools they need to lead healthy, independent, productive lives. In the aftermath of September 11, we emphasized resiliency and community service in our mission, as we helped our program residents cope with the enormity of the terrorist attack on the World Trade Center and the tragic loss of thousands of innocent lives.

Helping people cope with crisis and trauma is not new to Odyssey House. For 35 years, men, women, and children have entered our programs reeling from the impact of drug abuse. They have brought with them a challenging combination of psychological, medical, and social problems requiring a range of services beyond those offered at more conventional social service programs.

From our very beginning, Odyssey House has provided innovative treatments to a broad array of drug abusers. Today, through various programs, we provide comprehensive services for young mothers with children, teenagers, the mentally ill, people with HIV/AIDS, the homeless, senior citizens, and court-mandated clients.

The therapeutic community model of group living in a structured setting has long been the treatment of choice for chronic addicts. At Odyssey House we have enhanced this basic model to meet our client's special needs. We bring the very best practices in psychology, psychiatry, and medicine into our treatment programs—all toward the end of empowering substance abusers to take responsibility for their own lives and to be accountable for their actions. Researchers independent of Odyssey House have demonstrated how impressively well our therapeutic approach works for our clients. Moreover, we are continually exploring new ways to improve our success rates.

The philosophical underpinning of our programs is embodied in our core values of integrity, commitment to self-help, respect for the individual, empowering families, responding to community needs, adhering to

standards of excellence, and recognizing success—values that empower not only our clients but also Odyssey House employees, motivating them all the more to succeed in their work.

Just as Odyssey House's reputation for excellence in treating substance abuse depends on dedicated and skilled professionals, our reputation as an employer of choice depends on our ongoing investment in staff training, innovations that improve organizational efficiency, and a workplace culture that rewards success and encourages teamwork.

In this annual report, you will meet men and women whose treatment success proudly reflects human resiliency, the power to change, and hope. That they now lead successful, independent lives testifies to the skills of our treatment professionals, the leadership of the Board of Trustees, the support of our partners in government, and the generous contributions of private donors, foundations, and corporations.

Peter Provet, Ph.D.
President/CEO

“From our very beginning, Odyssey House has provided innovative treatments to a broad array of drug abusers.”

35 YEARS OF INNOVATION

Since our inception 35 years ago

as a pilot research program to treat heroin addicts at Metropolitan Hospital in East Harlem, Odyssey House has grown tremendously. What began as a small program primarily treating adult drug abusers has grown into a large organization with eight separate sites, more than 300 employees, and the capacity to treat more than 900 people.

Our growth has been both consistent and measured. From our beginnings in 1967, Odyssey House quickly became one of the country's first enhanced Therapeutic Communities (TC), offering medical and psychological treatment along with many other services for one of the most diverse client populations in the country. In this report we want to introduce you to some of the men and women we have helped to live drug-free, productive lives.



1967 Odyssey House opens experimental treatment program for adult heroin abusers at Metropolitan Hospital in NYC. Among the first to create a full-service TC program

1969 Program quickly expands to include adolescent drug abusers. Teen Leadership Center opens in the East Village, NYC

1970 Adult program expands with stand-alone facility on East 18th Street in NYC

1973 Innovative family treatment program opens. First-ever residential program for pregnant women and mothers with young children opens on Wards Island in Upper Manhattan. MABON (Mothers And Babies Off Narcotics) program quickly becomes treatment model of choice for women

1976 Odyssey House Institute, Inc., created

1976-1980 Odyssey House programs open in Michigan, Utah, Louisiana, New Hampshire, and Maine



Cathy Jones
A Life Reclaimed

When I arrived at Odyssey House, I was a “lost little girl.” I was confused, hurt, angry, scared, lonely, and tired. I had lost all hope of regaining my former life. All the things that were important or special to me were gone, and my spirit was in a black void. The only thing of value I had with me was Eddie, my baby boy, who came into treatment with me. My teenage daughter was too old to join me at Odyssey House. She stayed with her father, but I promised her we would be together soon.

I was not mandated to treatment. I could leave anytime I wanted, and that’s what I had decided to do just two hours after arriving at Odyssey House’s Family Center on Wards Island. But then

I met the other mothers in treatment, and even though I was scared of staying, they quickly reminded me what was waiting for me outside—drugs and drug dealers—and I was more afraid to go. I decided to sit still, for once, and see what would happen. It was one of the best decisions I’ve ever made.

In treatment, I built up tolerance and patience. I learned what it means to be humble and to have to wait and work for what you want. I learned about drug addiction and how it is possible to overcome it.

When I moved out of Odyssey House, I couldn’t believe I’d made it!

FAMILY-FRIENDLY SERVICES

Women, in particular mothers of young children, often enter treatment with a complex range of secondary problems that can undermine their chances of a successful recovery. Many female residents at Odyssey House suffer from depression and other mental health disorders, as well as the traumatic effects of abusive relationships. Their prospects are further clouded by lack of education and work skills, and by child custody issues.

To address these special needs, Odyssey House has created several programs targeting women. In 1971, we began a residential program for teenage female addicts—we were one of the first in the country to offer such treatment to young women. This program has since grown into a 60-bed, full-service therapeutic and educational program for teenagers.

Two years later, Odyssey House opened MABON (Mothers and Babies Off Narcotics) to care for pregnant addicts and their children. Today, the MABON program is part of Odyssey House Family Center Services, a group of programs geared to the special needs of women and young children. Here, women refine their parenting skills, get help in reuniting with their children or in gaining custody of them, receive treatment for the traumatic effects of domestic violence and sexual abuse, and gain strength from the support of their peers, a key ingredient in Odyssey House’s self-help, therapeutic approach.

OUR HUMAN FACE

Over our 35-year existence, Odyssey House has adopted many treatment protocols to help save the lives of thousands of alcohol and drug abusers. We remain in the forefront of innovation, developing new and special programs for young people, the mentally ill, people with HIV/AIDS, the homeless, and senior citizens—all of whom may have very different substance-abuse problems and interconnected lifestyle challenges. We are also committed to promoting constructive alternatives to prison sentences for a broad range of drug abusers.

KEEPING MOM AND KIDS TOGETHER

Cathy’s story (opposite) illuminates a critically important consideration for Odyssey House—one that has guided us in

our thinking and planning for nearly 30 years. Many women who abuse alcohol and/or drugs, despite urgently needing help, may be reluctant to leave their children in foster care or with relatives to undergo residential treatment.

When Odyssey House established a mother-and-child program in 1973, we were one of the first programs in the country—and the first in New York City—to keep young families together by allowing parents to undertake treatment in tandem with their children.

At any one time, we have as many as 200 parents and children residing in our Family Centers. Our mother-and-child programs offer round-the-clock services, including access to child development specialists and medical experts. This is especially important for infants and toddlers born with problems stemming from their mothers’ addictions. Specially trained day-care workers and teachers certified in early childhood education provide a stimulating and nurturing environment for babies, toddlers, and preschoolers, and help young mothers “learn the ropes” of childcare.

Parenting-skills workshops, educational and vocational counseling, job-training programs, and healthy-living seminars round out the rich array of services we offer to these mothers (and sometimes fathers as well), in addition to a full program of substance abuse treatment. Because many of our clients come from broken homes and abusive backgrounds, our counseling services put an emphasis on helping parents break the cycle of violence in which many of them have been trapped. And then we go a critical step beyond—teaching parents how to nurture their children and their family life, and how to run a loving and efficient household.

OUR HUMANISTIC TREATMENT PHILOSOPHY

At Odyssey House, we create a community and, more than that, a family for our residents. Within this community—this family—residents have responsibilities. All must help operate the facility in which they live. Each is given a job to do within the residence, and thus a responsibility for the well being of the whole community. Such structure and accountability prepare our residents to tackle the challenges of life when they re-enter society.



Today, I have the life I always wanted before drugs came along and stole it from me. I have my own apartment. I have a job. I have a supportive spouse, and both my children are with me and are happy. And best of all, I’m free from addiction.

Each day I remind myself who I am. I can’t forget that. I keep in touch with my peers and counselors at Odyssey House, and I attend Narcotics Anonymous meetings.

The demands of living life on life’s terms can sometimes seem overwhelming. But I see the results of being clean and sober each day, and I am proud of who I have become.

Today, I know I am somebody.

1977 Odyssey House establishes international treatment communities in Australia and New Zealand

1983 Organizational restructuring, Odyssey House programs made independent for every state

1983 Odyssey Foundation formed as fund-raising body for Odyssey House



Ramon Loper

Finding a Purpose

I'm 66 years old. I've abused drugs for at least 47 years—heroin, cocaine, and marijuana. I'm amazed I'm still here. No one's supposed to use drugs for that long and survive.

I never thought I'd make it to 50. I've lived through some bad times, but I've never been arrested and I've never been homeless. Back when I started doing heroin in the 1950s, I was singing in an R&B band, called the Five Keys. I sang at the Apollo Theatre in Harlem with a lot of the famous jazz and blues singers of the 50s and 60s. It was a great life. I had money in my pocket and good-time friends, and I never thought that one day I'd be an old drug addict with no one to turn to.

As I got older, my tolerance for drink and drugs became lower. I knew I could easily die from an overdose, but I didn't care. My wife and daughters had left me years before because of my drug habit, and without them, I didn't care about the future.

When I was 64, I broke my hip. Because I had nowhere else to go, the hospital sent me to a nursing home. I started sneaking alcohol to kill time. A staff person noticed and told me about the Odyssey House ElderCare program.

I said I'd give it a shot, but I wasn't real optimistic. I couldn't see anything in front of me; I just thought this was the end.

We also strongly believe that residents should enjoy a range of cultural and recreational activities. We view this as a key to creating a sustainable recovery. Before entering treatment, many of our residents have never visited a museum, been to the theater, or participated in sports or holiday activities. We've seen notable results from exposing people who have been isolated, as drug abusers often are, to such creative and enriching pursuits.

Unfortunately, many of the children brought to Odyssey House have also lived isolated lives, devoid of opportunity. Once they start spending time in the nursery, however, many show improvements in their abilities to interact and communicate with others that are nothing short of remarkable. These children will benefit for a lifetime. In the supervised group environment of the nursery and day-care programs, they learn to control inappropriate impulses, be less "tuned-in" to immediate gratification, and become more trusting and responsive to caring adults.

Most gratifying, the remarkable growth in confidence and development we witness in the children parallels the maturation we see in their mothers. While their children are at play, the young women learn healthier, more nurturing ways of interacting with their children, and they develop supportive relationships with other parents facing similar challenges. Like Cathy, parents and children learn tolerance and patience. For them, the benefits include the prospect of a stable home and a productive life—and for society, every such home and life has a positive effect beyond measure.

OUR ELDERCARE PROGRAM

Odyssey House, of course, isn't just about helping young parents and their children; we help people of all ages turn their lives around. One of our most innovative programs focuses on the needs of men and women 55 and over. Surprising as it might sound, the demand for substance abuse treatment among the senior population is urgent and increasing. The story of how one elderly man turned his life around is highlighted on the opposite page and below.

Ramon may have felt alone, but he had plenty of company. He's one of a rapidly growing group of substance abusers over

the age of 55 living precariously because of their crippling addictions to alcohol and drugs. More and more older people find themselves feeling like Ramon—isolated, without a sense of their place in the world and with no family to turn to. Many are afraid to seek help for their addictions because the younger clients in substance-abuse treatment programs intimidate them. Some, like Ramon, have lived with their affliction for so long that they cannot remember life any other way.

During the next decade, as the baby boomers age, drug and alcohol abuse among older people is expected to grow rapidly. Even today, government studies estimate that 568,000 people aged 55 or older have used illegal drugs in the past month. It's well known that the baby-boom generation used more illicit drugs and alcohol than their parents did, and many may be bringing these habits with them into their later years.

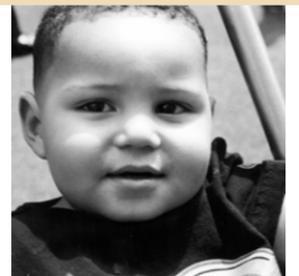
Odyssey House moved swiftly to create the first-ever residential therapeutic community program for seniors. We began the initiative in 1997 with just 17 residents receiving special services. Today we run a full-service program for 60 seniors, with a constant waiting list for available slots. Our unique program allows elderly residents to live among their peers and have a major voice in shaping their own treatment groups and activities. This last point reflects an important facet of our philosophy: We try to provide our residents with as much individualized care as possible, while still ensuring that they benefit from the strengths of therapeutic community treatment.

The ElderCare program—with its emphasis on empowering residents—arises naturally out of our philosophy of treating each resident as an individual. Just like young mothers or teens, senior citizens respond more readily to those who share common backgrounds and experiences. Living among peers encourages them to take part in age-appropriate cultural and recreational activities and to cultivate supportive friendships. Often our older residents respond to the environment we create for them by rediscovering their zest for life and their interest in the world at large.

Although many of their activities take place separately, ElderCare residents are not isolated from the rest of our treatment population. They live in the same building as other residents, including women and children, and interact with younger people on a

Old people feel so useless. I'd probably be dead if it weren't for Odyssey House. I was so depressed; drugs were the only things I lived for, I didn't care where I got them from, or how much I took; I just wanted something to make me feel good.

I didn't realize until I was in treatment how much I had isolated myself. At Odyssey House, I discovered a brand new world. Instead of thinking I was all washed up, I started to see that I was a mature man with something to offer.



1986 Executive and administrative departments move to 666 Broadway, NYC

1991 Construction starts on new 333-bed treatment center and 60-bed residential facility for mentally ill substance abusers

1992 Opening of three primary care medical clinics in NYC facilities

1994 Two new treatment centers open in Harlem, NYC: Manor Family Services Center and Odyssey House Behavioral Health Care Residence



Juan Marti

A Kid Who Found a Future

I liked pot. It was my drug of choice. I started drinking alcohol when I was 14, and less than a year later I started smoking pot.

I made up my own rules and didn't look to anyone else for guidance.

I began to "roll" with an older crowd in search of acceptance. Pretty soon I got into big trouble and spent time in jail. In jail I was surprised when the judge offered treatment. I had my doubts about whether I would be able to complete the program, but I hoped I would make it. I had had enough of running the streets, looking over my shoulder, and hurting others.

In January 1998, I arrived at the Odyssey House Teen Leadership Center in the East Village. As soon

as I got there, I knew this wasn't going to be easy. Odyssey House had strict rules, people telling me what to do—it wasn't what I had in mind.

But I adjusted quickly. I didn't run. I stayed and decided to give the program a shot.

What I learned about myself surprised me. Instead of reacting to my feelings in a bad way, like cursing or fighting, I learned it was better to "let go" of my defenses and stop pushing away those who wanted to help me. Listening and asking questions helped me better understand what I needed to do for myself.

It took the program to teach me how to "live life on life's terms." It might sound easy, but it

daily basis, adding their experiences to the rich texture of life at Odyssey House. We believe that the entire therapeutic milieu and effectiveness of Odyssey House benefits from this interaction.

Medical specialists and staff experienced in geriatric care are always on hand to attend to the older residents' needs. They provide counseling, aftercare referrals to Alcoholics Anonymous or Narcotics Anonymous, individual and group therapy, and vocational and job training. These professionals also help seniors maintain or reestablish relationships with family members, and find appropriate housing when their treatment is over.

No older person struggling with alcohol or substance abuse should feel, in Ramon's words, that they are "all washed up," or at the end of the road merely because they are over 55 years of age. Odyssey House is the only long-term therapeutic community in the country to create a separate program for seniors. By redirecting some of our resources to give our ElderCare clients the strength to face and conquer their addictions, we have helped some of society's forgotten men and women find within themselves a confidence and inner strength that that will serve them and their families well throughout the rest of their lives.

TEACHING TEENS TO BE DRUG-FREE

Drug abuse among American teenagers is again edging upward. The 2001 National Household Survey on Drug Abuse, published by the Substance Abuse and Mental Health Services Administration, found that 11 percent of youths 12 to 17 used drugs in 2001, compared with 10 percent in 2000. Similarly, among young adults aged 18 to 25 years, drug use increased between 2000 and 2001 from 16 percent to 19 percent.

For most teenagers who abuse drugs, marijuana is the drug of choice. Nationally, 56 percent of regular drug abusers aged 12 or over abuse marijuana. While not all of those youngsters will go on to develop chronic substance abuse, a significant number will. At Odyssey House more than 90 percent of teenagers are in residential treatment for marijuana abuse. This is consistent with national studies that find more teens entering drug treatment each year for marijuana abuse than for the use of all other illicit drugs combined. According to the U.S. Surgeon General's office, marijuana use is three times more likely to lead to dependence among adolescents than among adults.

To meet the needs of teenage substance abusers, Odyssey House runs the Teen Leadership Center, which integrates substance abuse treatment and education in a full-service residential setting. We'd like you to hear from Juan Marti, a Teen Center graduate, to appreciate what this special Odyssey House program helped him achieve; his story begins on the opposite page.

When Juan talks about discovering that "everything starts with you and ends with you," he is stating one of the pillars of the Odyssey House treatment experience: accountability for one's actions and decisions. Many teenagers entering Odyssey House have little sense of accountability. Worse, they lack hope for their futures. Tethered to their pasts, many have deeply established patterns of substance abuse—often in conjunction with criminal behavior, academic failure, and family trauma—and can see no way out. They typically do not look to the years ahead, but focus instead on the moment at hand.

Some teens come to us from such profoundly broken backgrounds that our community structure provides their first-ever experience of a family-like environment. Kids with no concept of living harmoniously with others suddenly find themselves having to learn to cooperate and share. Following the maxim, "you are your brother's keeper," residents monitor and report on one another's progress, give each other feedback and support, and confront each other in structured groups. They learn that what they do affects not only their own well-being, but the well-being of those around them, and that their bad decisions and negative actions are likely to have a negative impact on others.

Improving the educational performance of our young residents is a high priority. The youngsters follow a standard New York City high-school curriculum, taught by on-site Board of Education-licensed teachers. Classes are geared toward helping students attain high-school diplomas. In small classes of less than 20 students, previously disruptive youngsters get a chance to develop discipline and organizational skills, learn about teamwork, and explore their unique talents.

Looking beyond high school, Odyssey House vocational counselors guide students through a range of job-training programs or college courses available to them, and help them make the best choices to ensure their future success.

wasn't. Odyssey House put me on a simple path to a better life.

Today, I have a good job at the Mercantile Exchange on Wall Street. I keep in touch with my peers in recovery, play sports, and keep close to my family. I'm trying hard to be a good father to my young son, and I'm determined he won't get into drugs and the kind of trouble I did.

In treatment I learned everything starts with you and ends with you, and that to succeed I had to make the effort. Quitting drugs was easy. The hard part was finding the self-confidence to believe in myself. I feel pretty good these days.



1995 Shelter Plus Care apartments obtained for program graduates, Bronx, NYC

1996 Resident dental program created in partnership with NYU Dental School

1997 ElderCare, first-ever residential therapeutic community treatment program for seniors, opens



WHEN MENTAL ILLNESS IS IN THE PICTURE

Some Odyssey House residents struggle not only with drug addiction but with mental health problems as well. For many of these men and women, debilitating conditions such as schizophrenia or paranoia led them to become chronic substance abusers in the first place. To serve this special population, Odyssey House established the Odyssey Behavioral Health Care Residence (OBHCR) in 1994. One of only a few programs of its kind in the New York region, OBHCR is licensed and funded by New York State's Office of Mental Health to provide congregate—or group residential-care for men and women referred from city and state psychiatric hospitals and clinics.

At OBHCR, up to 60 homeless people with serious and persistent mental illness and chemical dependency participate in the full range of TC treatment, including group therapy, work assignments, and the development of cooperative living skills. They also need, and get, special medical attention. This is essential, since many OBHCR residents have chronic, life-threatening conditions such as asthma, diabetes, HIV/AIDS, and hepatitis.

We do far more than just provide vulnerable people with a roof over their head. At OBHCR there is one clinician, administrator, or educator for every three residents. Their aim: to prepare residents for life outside an institution in a community residence, supportive housing, or independent living facility.

Moreover, the OBHCR treatment program gives residents the tools they need to sustain sobriety and take control of their lives after they've left the supportive Odyssey House setting. By then, they have learned to manage medication regimens and, perhaps for the first time, understand they are accountable for the life choices they make.

Vanessa Anthony, opposite, lost her job and her home because of addiction and mental illness. Today, she is one of our success stories.

MEDICAL CARE—ON THE SPOT

Odyssey House provides its residents with health education, psychological care, primary medical care, and HIV testing/counseling. We also offer a smoking cessation program, clinics on asthma and diabetes management, and programs to teach residents about nutrition and physical fitness.

For residents who need the care of a physician, we run fully equipped medical clinics at the Teen Leadership Center, the MABON, and Family Center Manor facilities. Our other facilities have a doctor on call around-the-clock. Residents typically receive all their primary care services at an Odyssey House medical clinic.

Our on-site medical clinics vastly enhance the quality of service we can provide to residents, not just because the clinics help to ensure a continuum of care with our own doctors and nurses, but also because they make treatment more accessible for residents with multiple health problems. To address the broad range of residents' needs, the staff includes specialists in infectious diseases, internal medicine, and pulmonary diseases, and dentists, podiatrists, and registered nurses.

MAKING THE BIG STEP EASIER

To ensure a drug-free future for our clients when they leave Odyssey House, we provide a transition from full-time, supervised residency in one of our treatment facilities to unsupervised, independent living in transitional housing.

The Family Re-entry Program in which Cathy and her son Eddie were enrolled in after treatment, is a good example. In this program, we provide 15 furnished two-bedroom apartments, in which parents nearing the end of treatment live with their children under 24-hour supervision. The program thus provides a transition from dormitories to independent living. The families still receive the same intensive substance-abuse education and counseling as residents of the dormitory facilities. But they have more independence. They've taken an important step toward independent living, without fully letting go of the security and support that a therapeutic community provides.

Shelter Plus Care, our transitional care program, provides 17 apartments in five different buildings in the South Bronx for Odyssey House graduates with disabilities, ElderCare clients, and mothers with young children. The clients may stay up to one year. After that they can rent the apartment themselves. Residents of these apartments have 24-hour access to Odyssey House counseling and medical services, but they no longer need to follow the rigorous, mandatory schedule of residential treatment.

Vanessa Anthony
A Safe Place at Last

Life is working out great for me now. I have a quiet, safe place to live. My friends come round, and we play cards. It's a quiet life, and I like it.

It wasn't always this way, though. Before I came to Odyssey House, I was in Rockland State Psychiatric Hospital for six months. I admitted myself because I was scared people were trying to harm me. I didn't know then that I was suffering from paranoia and depression. I thought I really was in danger, and in a way I was, but from myself, not other people.

I would go to my job as an eligibility benefits specialist for the city, come home, close the door and keep to myself. But where I was living there

was a lot of drug use. It was noisy, and I felt threatened. I started smoking marijuana to try and calm down and that just made things worse, because it added to my paranoid feelings.

The hospital referred me to the Odyssey House program for people with mental illness and chemical addiction. I didn't want to come, because I didn't think my problems were related to drug use. I had no idea marijuana was so bad for me. But treatment helped me see I'd never get better if I kept on mixing marijuana with anti-depressant medication.

Treatment also helped me talk to other people, and learn to speak up for myself. My daughter

says I've changed so much. She says she's proud of me and that makes me feel good.

I now live at the Odyssey House Haven. It's a brand new building for homeless people with special needs. Folks here keep to themselves, but in a good way. Whenever I feel lonely, there is someone to talk to. I still keep in touch with my friends across the street at the Odyssey House treatment program, and I'm hoping to start work again soon.

One of the younger residents from treatment comes to see me sometimes and we have dinner or play cards together. I think I'm helping her feel less lonely. It feels good to give something back.



1998 Re-entry apartments obtained for families in transition to independent housing

1999 Odyssey House Camp LaGuardia outpatient treatment program opens for 150 homeless men living in NYC shelter system

2001 Odyssey House Haven, a supportive living apartment complex for men and women with special needs, opens in Harlem

2001 Expands family services for women and children, including additional transitional housing apartments, vocational services, and enhanced childcare services

HOUSING THE HOMELESS—AND MORE

Odyssey House Haven, located on 121st Street in East Harlem, officially opened its doors in October 2001. An elegant \$6.6 million building containing 64 single-occupancy apartments, the Haven was made possible by generous grants from the New York State Homeless Housing Assistance Program (HHAP) and New York City’s Department of Housing Preservation and Development (HPD). Operational funding is primarily provided by New York City’s HIV/AIDS Services Administration (HASA).

In addition to providing much needed housing this project goes a long way toward giving homeless men and women with HIV/AIDS, mental illness, and/or physical disabilities the chance to lead dignified, independent lives. Each fully equipped apartment is respectfully decorated and furnished. Cheery public areas are filled with artwork donated by local artists, and there’s a café where the residents can eat at least one meal a day and a landscaped patio at the rear of the building.

Housing specialists and case managers are on hand to help the tenants adjust to independent living, and tenants also have access to Odyssey House substance abuse treatment programs and primary medical care facilities.

PROGRAMS ON THE HORIZON

This summer, we look forward to breaking ground on a new 16-bed adolescent facility, which the Office of Alcoholism and Substance Abuse Services (OASAS) of New York State is helping us fund. The facility will offer the same core services as our other programs, but will also be tailored to meet the needs of substance-abusing teenagers with challenging behavioral problems. We are also establishing a special unit within our adult facility to treat mentally ill substance abusers referred by the United States Federal Probation Office.

In 2003, we plan to begin construction of a 50-bed facility for mentally ill substance abusers under the auspices of the New York

State Office of Mental Health (OMH). This building will be located in Upper Manhattan near our existing East Harlem facilities.

A lack of safe, affordable housing is a significant challenge for many of our program graduates. Many are scared of returning to the same neighborhoods where they abused drugs and were preyed upon by drug dealers, and others who were homeless have to start all over again. But even in the face of a housing shortage we have been able to expand the number of apartments available to our young families, and to provide more Shelter Plus Care accommodations for homeless men and women with disabilities.

FUNDING

Most of the funding for Odyssey House comes from New York State’s Office of Alcoholism and Substance Abuse Services (OASAS), the Office of Mental Health (OMH), and the Department of Health (DOH). In addition, the Odyssey Foundation raises private money for particular programs and projects.

ODYSSEY FOUNDATION

The Odyssey Foundation was established in 1983 to support the operation of Odyssey House and the development of new programs and services to further Odyssey House’s mission, vision, and goals. The Foundation’s efforts supplement, but do not in any way replace, public funds.

The range of program enhancements recently made possible by Foundation support include: implementation of innovative parenting skills workshops for young mothers residing in our Family Center facilities; specialized social work services for people over 55; and sports and recreation facilities for youngsters in our adolescent program.

As Odyssey House continues to grow, the role of the Odyssey Foundation as a partner in augmenting the range and depth of services offered to residents is more valuable than ever.

2003 Anticipated ground-breaking for two new facilities: 50-bed supportive housing complex for individuals with mental illness, 16-bed intensive residential facility for adolescent substance abusers



Financials

CONSOLIDATED BALANCE SHEET

JUNE 30	2002	2001
ASSETS		
<i>Current Assets:</i>		
Cash and cash equivalents	\$5,286,003	\$4,980,349
Client services receivable	2,862,644	2,928,711
Grants and contracts receivable	2,430,181	1,516,905
Due from affiliate	104,712	415,280
Prepaid expenses and other current assets	271,536	211,286
Current portion of debt reserve funds	614,433	586,754
Cash held on behalf of welfare clients	64,843	153,165
Total Current Assets	11,634,352	10,792,450
Debt Reserve Funds, less current portion	594,824	622,503
Interest in Net Assets of Odyssey Foundation of New York, Inc.	239,995	
Property, Plant and Equipment, net	18,246,253	18,129,505
Total Assets	\$30,715,424	\$29,544,458
LIABILITIES AND NET ASSETS		
<i>Current Liabilities:</i>		
Accounts payable and accrued expenses	\$2,337,518	\$2,368,982
Accrued compensation	554,333	478,187
Funds held on behalf of welfare clients	64,843	153,165
Current maturities of mortgages payable	614,433	586,754
Refundable advances	3,447,482	2,611,176
Due to third parties	3,381,590	3,734,942
Total Current Liabilities	10,400,199	9,933,206
<i>Long-term Liabilities:</i>		
Mortgages payable, less current portion	12,557,384	13,171,817
Contingent forgivable notes payable	5,956,021	5,451,892
Total Long-term Liabilities	18,513,405	18,623,709
Total Liabilities	28,913,604	28,556,915
<i>Net Assets:</i>		
Unrestricted	1,561,825	987,543
Temporarily restricted	239,995	
Total Net Assets	1,801,820	987,543
Total Liabilities and Net Assets	\$30,715,424	\$29,544,458

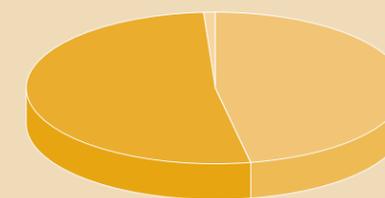
CONSOLIDATED STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30	2002	2001
REVENUES		
Client services	\$8,998,992	\$8,741,050
Grants and contract services	9,952,625	8,182,148
Contributions	157,978	117,361
Other	67,693	162,042
Change in interest in Odyssey Foundation of New York, Inc.	(20,459)	
Total Revenue	19,156,829	17,202,601
EXPENSES		
Program Services	15,769,109	14,535,489
Management and general	2,833,897	2,654,765
Total Expenses	18,603,006	17,190,254
Increase in net assets before cumulative effect of change in accounting principle	553,823	12,347
Cumulative effect of change in accounting principle	260,454	
Increase in net assets	814,277	12,347
Net assets at beginning of year	987,543	975,196
Net assets at end of year	\$1,801,820	\$987,543

Revenues for the fiscal year ending June 30, 2002 reflected an increase of 11 percent compared to the same period in 2001. This growth was driven by improved utilization of client services, grants/contract services, and contributions.

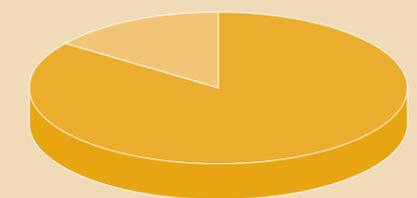
The results of our attention to sound financial practices are reflected in the operating performance, shown in the charts below, and a sound balance sheet.

REVENUE



- Grants and Contract Services, 52%
- Client Services, 47%
- Contributions and Other, 1%

EXPENSES



- Program Services, 85%
- Management and General, 15%

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*In addition to contributions from all Board
Members and Officers, we are pleased to thank the
following supporters of the Odyssey Foundation:*

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Rosenback Foundation

\$50,001 – \$100,000

J.T. Tai & Co. Foundation
United Way of New York City

\$10,001 – \$50,000

BEA Foundation
Heckscher Foundation for Children
J.P. Morgan Chase Manhattan Foundation
UPS Foundation

\$5,000 – \$10,000

American Chai Trust
Baird Family Fund
Barker Welfare Foundation
Gannet Foundation
Jarvie Foundation
Overbook Foundation
TIAA-CREF

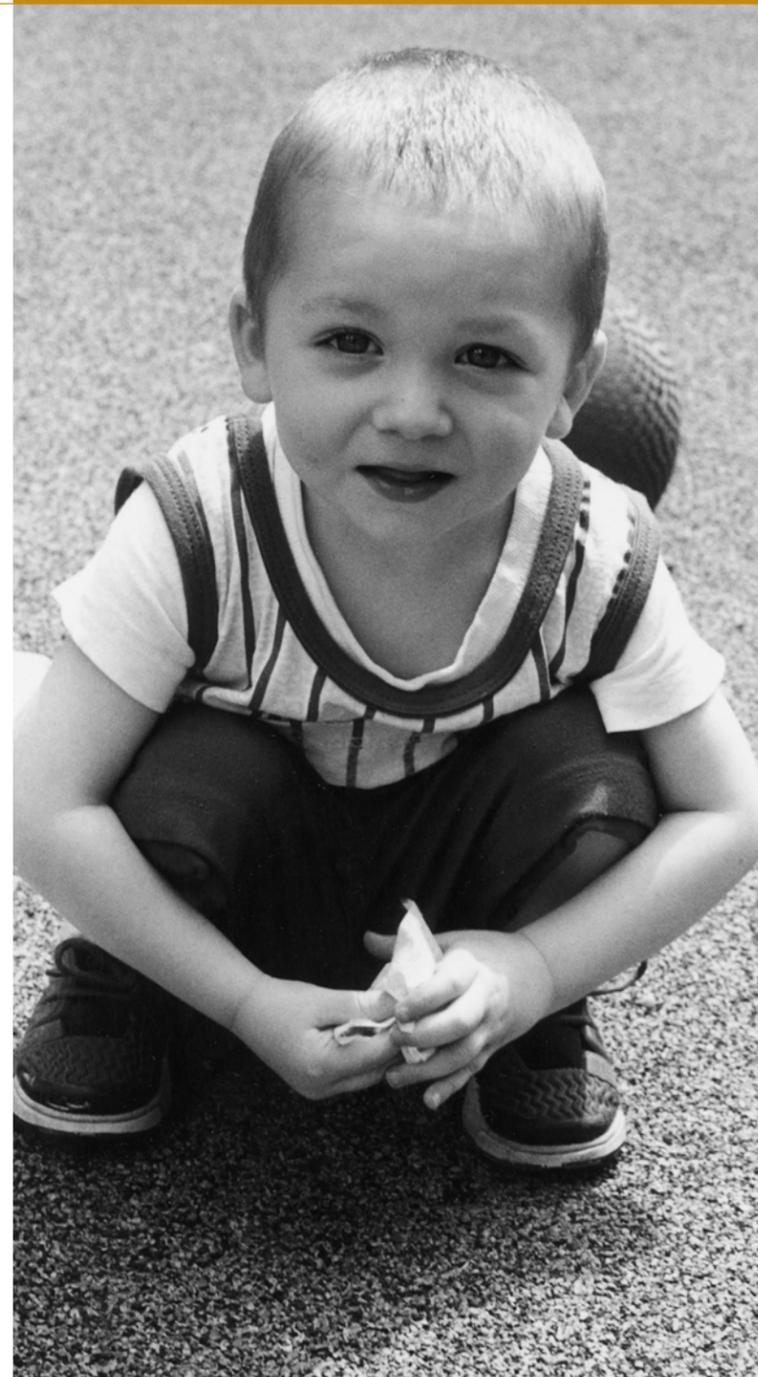
Less than \$5,000

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Willa and Robert Bernhard Fund



The backbone of the agency, Odyssey House clinical and



administrative staff. Here are just some of the men and women who each day make a difference in the lives of our residents.

Programs and Facilities

Corporate Office
95 Pine Street, 17th Floor
New York, NY 10005
(212) 361-1600
www.odysseyhouseinc.org

Odyssey Foundation
95 Pine Street, 17th Floor
New York, NY 10005
(212) 361-1609

Odyssey House Admissions
219 East 121st Street
New York, NY 10035
(212) 987-5100

TREATMENT CENTERS

Adolescent Treatment

Odyssey House Teen Leadership Center
309-311 6th Street
New York, NY 10003
(212) 780-1515

Homeless Services

The Odyssey House Haven
239 East 121st Street
New York, NY 10035
(917) 492-2582

Adult Treatment Services

Odyssey House Manor Facility
219 East 121st Street
New York, NY 10035
(212) 987-5120

Odyssey House Camp LaGuardia

*1 LaGuardia Road
Chester, NY 10918
(845) 469-6214*

Odyssey House Engagement Unit
Bldg. #13
Wards Island, NY 10035
(212) 426-6695

Housing

Shelter Plus Care & Family Re-Entry
970 Prospect Avenue
Bronx, NY 10459
(718) 378-4520

Odyssey House ElderCare Program
219 East 121st Street
New York, NY 10035
(212) 987-5120

Mental Health Services

*Odyssey Behavioral Health Care
Residence*
246 East 121st Street
New York, NY 10035
(212) 987-5151

Family Centers Services

Odyssey House Manor Family Center
219 East 121st Street
New York, NY 10035
(212) 987-5120

Odyssey House MABON
Bldg. #13
Wards Island, NY 10035
(212) 426-6695

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