

Dear Friends

Dear Friends of LifeSpring,

Despite the challenge of a slowly recovering economy, Fiscal Year 2012-2013 looks to be one of growth and expansion for the center. Sarkisian House, a community residential treatment facility for people with severe and persistent mental illness, reopened this year with new funding from The Indiana Division of Mental Health and Addictions. LifeSpring is also looking to expand its services to veterans and their families by becoming a member of the Indiana Veterans Behavioral HealthCare Network this year.

This year also marks the first class of the LifeSpring Leadership Academy. Twenty staff members have completed all the prerequisite training and are now participating in quarterly leadership roundtable sessions lead by LifeSpring executive staff members.

LifeSpring has also made great strides in improving its digital infrastructure by moving to a virtual desktop environment and plans to beta test the application of tablet technology in a clinical setting this year.

The center is cautiously optimistic that the expansion of the Medicaid program under the federal Affordable Care Act will allow the center to provide a full array of behavioral health services to people who previously could not afford it and did not qualify for any type of subsidy in the past.

Finally, LifeSpring and its board's commitment to improving the quality of life for our clients has led to a commitment of providing quality integrated primary and behavioral healthcare. The center has begun participation in a learning community with the National Council for Behavioral Healthcare that we believe will lead to the center's certification as a Federally Qualified Health Center- Look Alike in the near future.

I would personally like to thank all of our board members and staff for all of their hard work and unflinching dedication to the clients we serve.

Sincerely,

Terry L. Stawar, Ed.D.

President/CEO

Dear Friends of LifeSpring Foundation,

2012 was a good year for the LifeSpring Foundation. We were able to add two new members to the Board of Trustees, Doug England and Allen Howie. They, along with their fellow Trustees, have been a joy to work with and we have melded into a good team.

The Circle of Life Celebration was a success with Dale Moss as our Guest Speaker, who regaled us with many stories from his days as a newspaper column writer. Our raffle of a new iPad3 seemed to take on a life of its own as we neared the drawing. Boyd Wright, of Financial Wealth Management, was the winner. Once again, Famous Dave's provided us with a BBQ buffet that was delicious and the Ft. Hill Band played during dinner and the traditional live and silent auctions were lively.

As mentioned in our letter in last year's Annual Report, we added another fundraiser to the year. We called it simply, "Trivia Night". We all enjoyed the evening, with the framers of the event learning a couple of valuable lessons, which will be implemented in the upcoming event. Congratulations to the winners of that fun-filled event.

We are still looking for interested individuals who would like to invest a little time in their community by working with the Foundation as a volunteer, or who would like to learn more about mental illness and LifeSpring's efforts to help people through their battle with mental illness.

All in all, 2012 was a good year during which we were able to streamline the fundraising events and enjoy ourselves, as did our guests. We look forward to next year and the opportunities and challenges that we will face at that time. We hope you will be able to join us. As always, we thank you for your support both financially and by participating in our activities.

Thank you,

Steve Shetter

Executive Director

LifeSpring Foundation of Indiana

Leadership

Board of Directors

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Jan Vetrhus, Secretary

Rebecca Marshall

Sam Eckart, *Treasurer*Nick Stein, *Foundation Ex-Officio*Jack Vissing
Judy Steedly

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LifeSpring Foundation Board of Trustees

Nick Stein, *President*Judy Steedly, *Vice-President*Judge Carlton Sanders (ret.), *Secretary*Nick Clark, *Ex-Officio*Shane Gibson, *Treasurer*Jack Vissing
Terry L. Stawar, Ed.D., *Ex-Officio*Steve Shetter, *Ex-Officio*Doug England

Allen Howie

LifeSpring's Executive Management Team

Terry L. Stawar, Ed.D., President/CEO

Nick Clark, Executive Vice President and Chief Financial Officer

Greg Duncan, LCSW, Senior Vice President for Performance Improvement

Karen Jones, MBA, Senior Vice President of Human Resources and Administration

Jana Kixmiller, LCSW, Senior Vice President of Clinical Services for Clark and Floyd Counties

Marta Myszak, LCSW, Senior Vice President of Clinical Services for Area Counties

Wanda Booker, BSN, Vice President of Nursing

Asad Ismail, MD, Vice President of Medical Services

Beth Keeney, MBA, Vice President of Development and Grants

Christian Rice, Vice President of Information Technology and Chief Information Officer

Christine Grider, Director of Accounts Receivable

Stephanie Taylor, Director of Business Services

Marshall Lowery, Facilities Director

Connie Chenault, Executive Assistant

Area Office Leadership

Misty Scott, LCSW, Floyd County Clinical Manager
Joe Higgins, LCSW, Harrison County Clinical Manager
Marta Myszak, LCSW, Washington County Clinical Manager
Scott Phillips, LCSW, Scott County Clinical Manager
April Frieske, LCSW, Jefferson County Clinical Manager

Foundation Staff

Mr. Steve Shetter, Executive Director

Ms. Rose Turnbow, Development Assistant

Grant Funds Generously Provided By:

United States Department of Housing and Urban Development

CEASe of Scott County

Jefferson County CASA

Community Foundation of Southern Indiana

Clark County Youth Coalition

Indiana Division of Mental Health and Addictions

Jeffersonville Fraternal Order of Police Lodge #100

Indiana Council on Problem Gambling

WHAS 11 Crusade for Children

Staff Profiles

April Frieske, LCSW

April Frieske came to work at LifeSpring in August of 2000, to work as a therapist in the newly reopened Jefferson County office. She is a graduate of Western Kentucky University, having earned a Master's Degree in Clinical Psychology. In August of 2012, she was named Clinical Manager of the Jefferson County office. Prior to that, April focused most of her energy on working with the seriously mentally ill, which she describes as her passion. April lives in Madison, where she is active in the community, currently serving in her 5th year as President of the United Way Board in Jefferson Co. She has 2 children, ages 7 and 10, and enjoys photography and creating movie trailers in her spare time.

Marshall Lowery

Marshall Lowery has been with LifeSpring since 2004 and serves as the Director of Facilities. Marshall leads a shared services department consisting of plant operations, security, safety, housekeeping, and transportation for twelve buildings in a six county region.

A native of Kentucky, Marshall is a member of the Executive Management Team. He is also a licensed real estate agent. Prior to joining LifeSpring, Marshall held positions in the area of leadership, janitorial services, environmental services, hospital management, and roofing/construction ownership.

Through his open, honest, and loyal approach, Marshall has led the organization through contract negotiations, acquisition of buildings, construction of new buildings, and inclement weather events all while maintaining state and local requirements.

LifeSpring's mission is "to improve and sustain the quality of life in our communities by providing comprehensive behavioral health, addiction, and related services."



Susan Jenkins

Susan Jenkins started working for LifeSpring on June 26, 1991, but June 27 is probably a more memorable day for her. On her 2nd day of work at the Washington County front desk, a call came in from local police stating that a woman in the waiting room "probably had a gun" in her purse. The most amazing thing about that day was not how fast she could hit the floor, but that she actually came back the next day, and she has been coming back for 22 years. She has been the Office Manager for 20 of those years, and gives a whole new meaning to the word "efficient". She is an avid Purdue fan (thanks to her son, a recent Pharmacy graduate), an expert quilter, and she and her husband raise miniature goats and sheep.

Dorothy Hickerson, MSW

Dorothy Hickerson is the Clinical Manager for Children's Community Based Services at LifeSpring. Dorothy oversees the Home Based Services Program and the Children's Care Managers in Clark County. Dorothy has been with LifeSpring since March 2012. Prior to that, she worked at the Clark County Youth Shelter in Jeffersonville for three years as the Residential Director/Counselor. Dorothy has worked with children since 1992 and has a great deal of experience with juvenile justice and the Department of Child Services. Currently, Dorothy represents LifeSpring on the Clark County Absence Review Panel, Department of Child Services Child Fatality Review Committee and facilitates the Clark County Systems of Care Governance Board. In her spare time, Dorothy enjoys reading and watching baseball.

Our values are, "It is our privilege to serve, with the highest quality of care, in a professional and fiscally responsible manner."

Team Growth

Leadership Academy

LifeSpring's Leadership Academy began this year with 20 staff members completing ten online courses in leadership and management. Courses included topics such as Supervision and Leadership, Effective Communication in the Workplace, Work-Life Balance and Managing Teams. Participants also attended roundtable discussions presented by LifeSpring's executive team in financial management, performance improvement and strategic planning, human resources management and development and grant management.



It is our belief that promoting from within the organization for managerial positions is a win-win proposition for LifeSpring and for staff members. By enrolling in the Leadership Academy, staff better their skills and express their interest in new challenges and in exploring management opportunities. This is a first step in becoming a more well-rounded employee and taking a leadership role within the agency!

LEADERSHIP

MANAGING TEAMS

WORK-LIFE BALANCE

Integrated Care

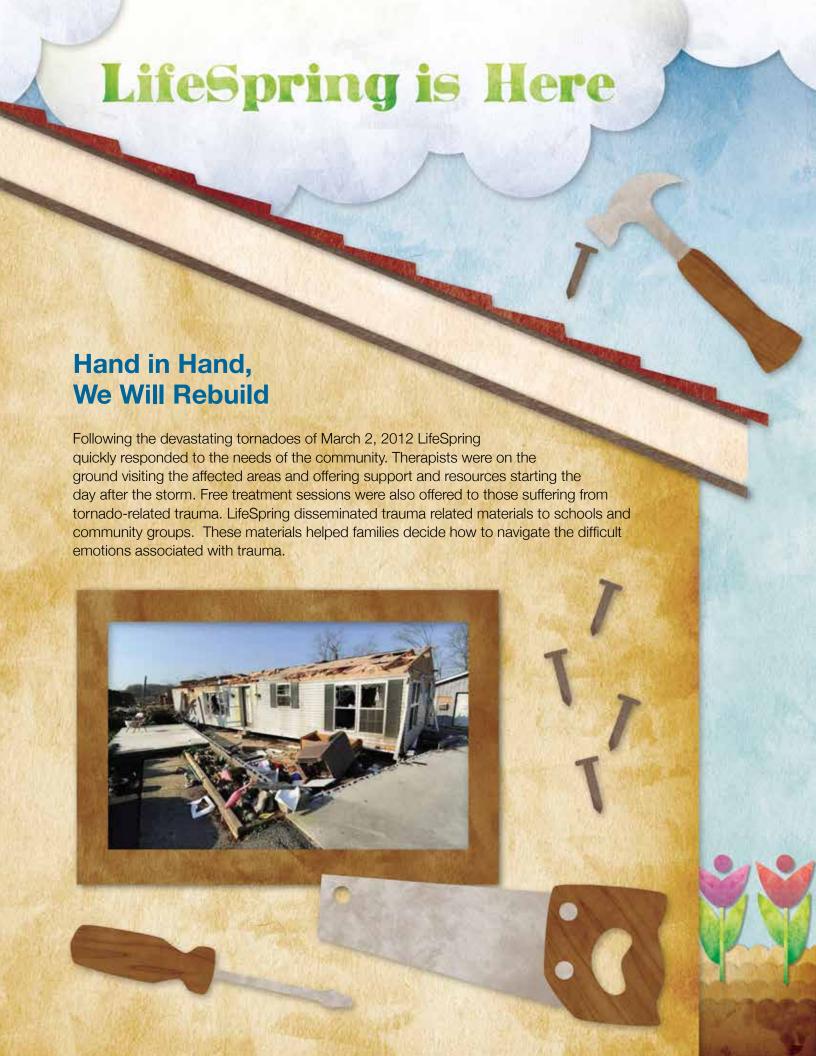
In the past few years, multiple research studies have shown that seriously mentally ill individuals die 25 years faster than their non-mentally ill counterparts. The reasons for this increase in mortality are due largely to modifiable and preventable factors- such as obesity and tobacco use. It is imperative to plan for the future and figure out how to best serve our clients. Starting in Summer 2013, LifeSpring will begin providing primary healthcare services to some of our seriously mentally ill clients. The goal is to provide a seamless continuum of services to our clients, centered on effective communication and collaboration between disciplines. We anticipate both positive behavioral health and physical health outcomes for clients.

Assertive Community Treatment Team

After a competitive process, LifeSpring was awarded a grant to continue operation of the Assertive Community Treatment (ACT) team. This program was previously awarded the esteemed SAMHSA Science and Service Award. The ACT program is an evidence based practice, meaning that research has shown that when the program is operated as directed, there are positive outcomes for participants.

The Assertive Community Treatment Program (ACT) at LifeSpring is designed to support and address the needs of the seriously mentally ill by minimizing and eliminating need for hospitalization through the provision of wraparound services to assist clients in learning skills for functioning in the community. The ACT Program works directly with improving quality of life issues with clients in the program, including housing issues, criminal justice involvement, physical health concerns, etc. Through the identification and program placement of seriously mentally ill clients who have the potential to respond to treatment, the ACT Program utilizes the strengths of the community to address the needs of the individual, and has been able to reduce costly hospitalizations.





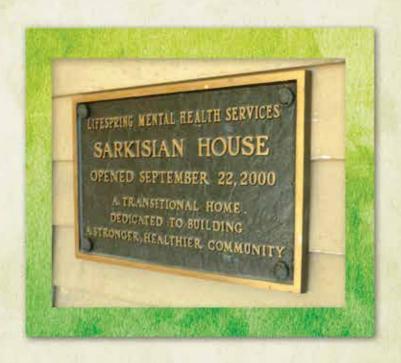
LifeSpring quickly became involved with the creation of the long-term recovery group, March2Recovery. This group was formed to offer volunteers, provide support and resources, and generally manage the recovery efforts in the affected communities on an on-going basis. LifeSpring stepped up to serve on the Spiritual and Emotional Recovery Committee, which focuses on making sure support is offered in ways beyond the tangible needs of rebuilding. LifeSpring remains committed to the rebuilding process in our communities.

As a result of the disaster, LifeSpring formed a Mental Health Disaster Response Team to respond to future disasters affecting the local area. This team is comprised of a number of LifeSpring staff members, including President/CEO Dr. Terry Stawar, and other mental health professionals in the area.

Whatever the crisis, LifeSpring is here.

Sarkisian House Reopening

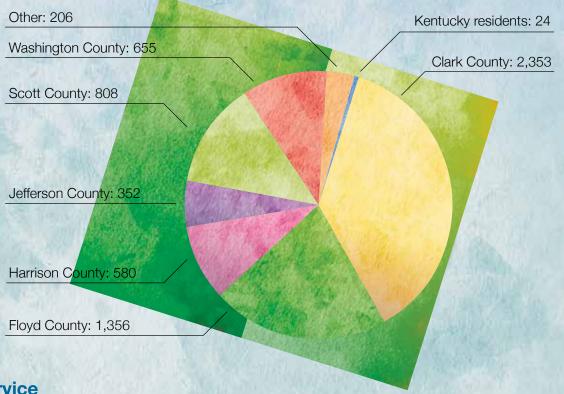
After a competitive process, LifeSpring received a grant from the Division of Mental Health and Addictions to reopen Sarkisian House, an eight bed facility in the heart of historic New Albany. Sarkisian House serves seriously mentally ill men who are being diverted from the state hospitals, or those who are transitioning back into their community from the state hospitals. These men often have physical health needs in addition to their behavioral health needs. LifeSpring has a nurse that works closely with clients to address these issues and assist them to long-term stabilization.



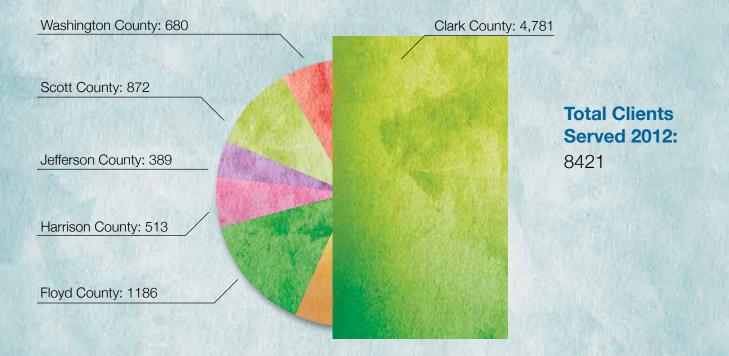


2012 Data

County of Residence

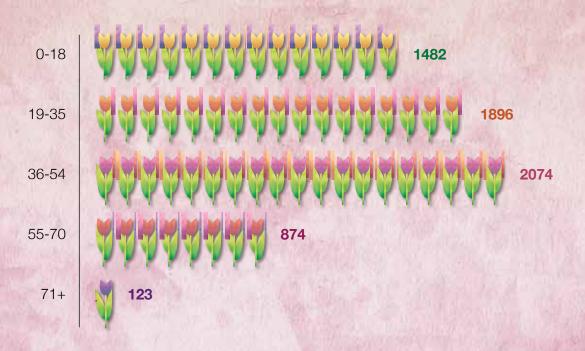


County of Service

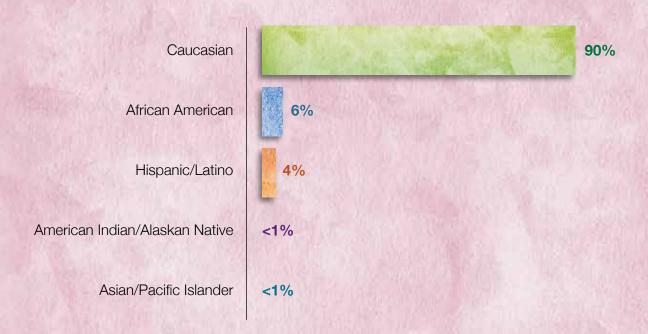




Age



Demographics



Financials

Statement of Financial Position

Otatomont of Financial Footboll		
Assets	2012	
Current Assets		
Cash and Cash Equivalents	\$3,841,043	26%
Residential Patient Funds	129,782	1%
Patient Accounts Receivable, net of allowance for		
doubtful accounts of \$441,599 in 2012	865,860	6%
Other Receivables	1,171,957	8%
		0%
Other Current Assets	215,067	1%
Total Current Assets	6,223,709	
	0.400.707	500/
Property, Plant and Equipment, net	8,480,737	58%_
Total Assets	\$14,704,446	100%
Total Assets	Ψ14,704,440	10070
Liabilities and Net Assets		
Current Liabilities		
Current Portion of Long-Term Debt	\$298,297	2%
Accounts Payable and Other Accrued Liabilities	200,880	1%
Accrued Wages, Benefits and Related Withholdings	989,741	7%
Estimated Third-Party Settlements	182,183	1%
Due to Residential Patients	129,782	1%
Total Current Liabilities	1,800,883	
Long-Term Debt	3,627,795	25%
Total Liabilities	5,428,678	
Unrestricted Net Assets	9,275,768	63%
Total Liabilities and Net Assets	\$14,704,446	100%



Statement of Activities and Changes in Net Assets

Unrestricted Revenues, Support and Gains	2012	
Patient Service Revenue, net	\$7,102,630	
Provisions for bad debts	290,434	
Net patient services revenue less provision	0.010.100	400/
for bad debt	6,812,196	46%
Federal and State Grant Revenue	4,896,172	33%
County Appropriations	1,294,118	9%
Gain on Disposal Assets	15,982	0%
Other Grant and Miscellaneous Revenue	1,914,848	13%
Total Unrestricted Revenues, Support and Gains	14,933,316	100%
Expenses	0.000.500	070/
Salaries and Wages	9,880,536	67%
Employee Benefits	1,554,164	10%
Building and Equipment	874,681	6%
Purchased Services	445,843	3%
Travel and Transportation	201,547	1%
General and Administrative	914,223	6%
Depreciation	513,150	3%
Interest	153,826	1%
Other _	285,578	2%
Total Expenses	\$14,823,548	100%
Change in Net Assets	\$109,768.00	
Unrestricted net assets		
Beginning of Year	9,166,000	
End of Year	\$9,275,768	

Expense Breakdown

Programs & Services	\$13,909,325.00	94%
General & Administration	\$914,223.00	6%
Fundraising	\$0.00	0%



