

2012 ANNUAL REPORT

FISCAL YEAR IN REVIEW JULY 2011 – JUNE 2012



LIVENGRIN
The Foundation for Addiction Recovery

Responding to the Need Brings Dynamic Results

We are proud to inform you that the fiscal year ending June 30, 2012, was one of the most successful in Livengrin's history on a number of fronts. Our patient utilization hit record numbers, our fiscal performance was stellar, our charity care funding increased, clinical services were enhanced and improved, and our physical plant was significantly upgraded.

The Foundation has successfully retooled its business and operations over the past five years. Combined with enhanced provider relations and effective treatment programs, this has achieved top-notch financial results. This financial report reflects our successful operations and sound investments, which secure viability for the future.

Our programs have been at near-capacity every month due to an increase of referrals from professional sources (physicians & hospitals, unions and HR managers, therapists and insurance companies), as well as former patients and other members of twelve-step programs.

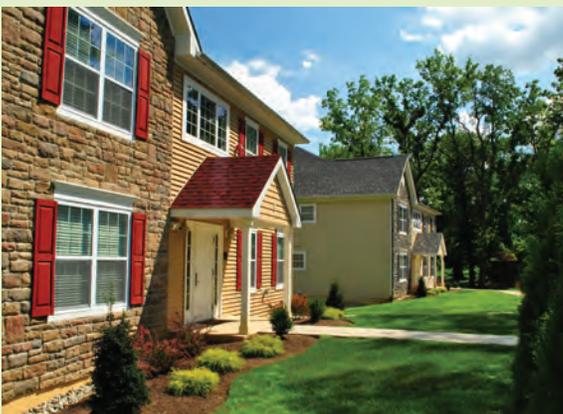
Personal referrals are especially meaningful to many people who are making the decision to get help. Those who have been through treatment, or who have a friend or family member who had come to Livengrin, recommend us consistently. High opinions about the quality of rehab life here (with our beautiful new patient residences, great food and caring and professional staff) are often mentioned when we ask new patients why they chose Livengrin.

In fiscal year July 2011 through June 2012, the Foundation earned an operating margin in excess of ten percent, representing a significant gain over the previous year. This permitted us to fund new programming and facility improvements.

Livengrin again received the highest ratings from state and national licensing and accreditation bodies. With continuous self-examination, our treatment practices and internal policies are always being enhanced. As we concluded FY 2012, the groundwork was set for AMICare (the Alex Murray Intensive Care Program). This important new treatment initiative is aimed at the challenges faced by high-risk patients (many of them young adults) who need extra assistance in staying in treatment, and finding a safe path to continuous sobriety once they leave our program. Services and support for families of AMICare patients will soon be expanded as well.

Livengrin offers groundbreaking, focused programs for the unique treatment needs of nurses and first responders (police, firefighters, EMTs and combat veterans). These treatment tracks have shown the way to recovery for groups that previously would not have received this kind of specialized care.

The very busy Driving Under the Influence program, now operating seven days a week, is moving off-campus (in accordance with plans we've been shaping all year) to a



As landscaping settled in, the new rehab residences developed their own personalities. After patients moved to the new residences, the "D wing" in the manor house was renovated for a fitness center, meditation chapel, library and improved space for counselors and administrators.

Students at the University of the Sciences in Philadelphia dedicated the proceeds of a running event to our charitable scholarships.



new modern office site in Oxford Valley. Bucks County and other jurisdictions greatly depend on us for DUI services, including Pennsylvania's Alcohol Highway Safety Program. The new site will also serve as the seventh Livengrin Counseling Center, scheduled to be fully operational in late Fall, 2012.

This fiscal year marked our 45th Anniversary. We celebrated in many ways, not least of which was our gala event in September, 2011. Comedian and author Richard Lewis visited our rehab patients and later was keynote speaker at a ballroom gala. Dr. Tom McClellan of the University of Pennsylvania was recognized for a lifetime of achievement with Livengrin's coveted Standish F. Hansell Award for Excellence in Leadership.

The Livengrin Board of Directors was pleased to bring in new member Rob Leipziger, a regional automotive businessman, as well as welcome back former Board member David Vidovich, Vice President of Operations at the Tasty Baking Company. We also expressed our thanks to departing Board member Don Billingsley, who relocated with his family to Georgia.

As we look back on an exceptional year, we're already engaging in the next one as everyone at Livengrin renews their commitment on a daily basis. The successes of the fiscal year - along with the lessons learned from ever-evolving plans - provide a map that leads us to accomplish even more.

We are proud of our report on FY 2012, but what really stimulates us is what's happening today, building on FY 2012 for continued excellent performance in FY 2013.

We thank the entire Livengrin family - staff, the Board and other volunteers, referral sources, underwriters, and so many friends in education, healthcare and municipal affairs - for your ongoing encouragement and support. And we thank the patients and families who put their faith in us and gave us a chance to help them along the path to recovery.



A handwritten signature in black ink that reads "Rick Pine".

Richard M. Pine
President & CEO



CEO Rick Pine (left) regularly hosts members of the regional economic community at the Foundation, such as at this Chamber of Commerce event with a hundred business owners.



The Northeast Philadelphia Counseling Center features changing exhibitions donated by students at Holy Family University.



The Beginners, a Livengrin-sponsored team in a local recovery league, carry our banner to the community and also help considerably with promoting the Ride for Recovery.



July 1, 2011 – June 30, 2012

- Net Patient Revenue increased 23.19%
- Charitable Contributions to the Foundation increased 42.02%
- Charitable Care (scholarships to patients in need of treatment but lacking the 'financial resources) increased 24.33%
- \$1,163,000 was invested in Facilities expansion and improvements

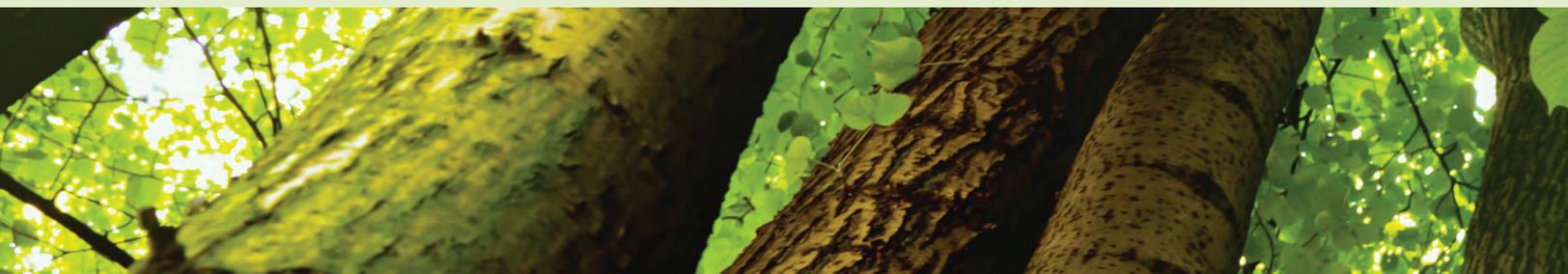
Statement of Financial Position

	July 1, 2011 to June 30, 2012	July 1, 2010 to June 30, 2011
Current assets	\$ 2,697,219	\$ 2,138,791
Property & equipment net of accumulated depreciation	6,036,550	5,224,992
Investments, restricted cash, cash equivalents	7,737,164	6,643,057
Total assets	\$ 16,470,933	\$ 14,006,057
Total liabilities	\$ 1,007,784	\$ 1,269,272
Net assets:	15,463,149	12,737,568
Total Liabilities & Net Assets	\$ 16,470,933	\$ 14,006,840

Independent Auditors: Bee Bergvall & Co., Warrington, PA



The most recent aerial view of our campus includes the new rehab residences and their gleaming sidewalks.



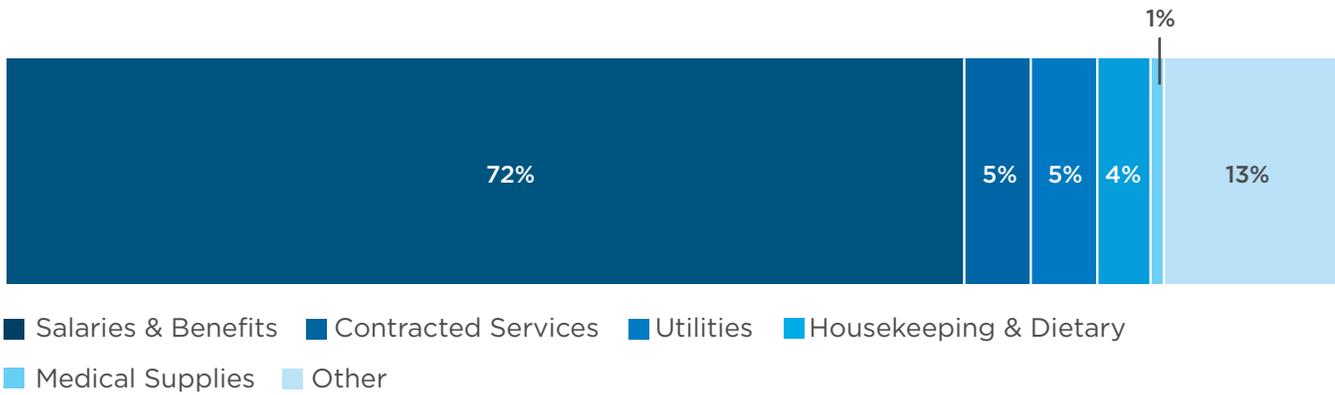
Revenue*

\$15,411,968



Expenses*

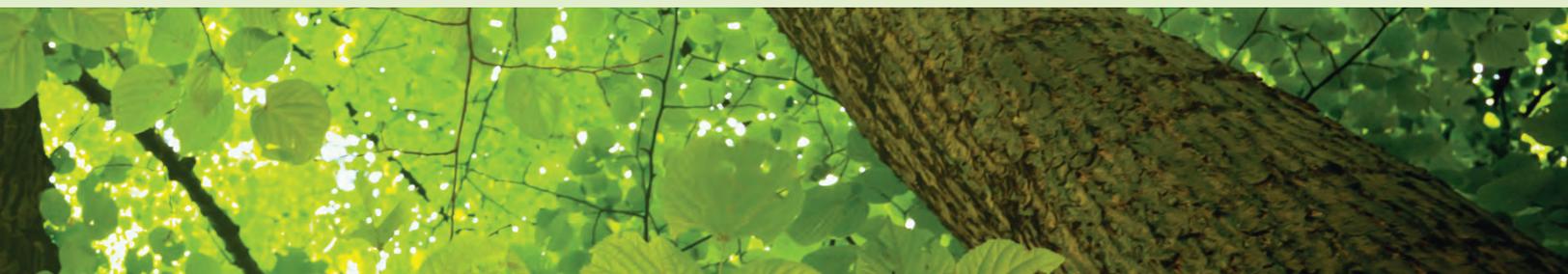
\$13,269,144



*2012 FY Audit



From an employee poll, we named the drive to the residential area of the campus.



The Clinical Perspective on a Healthy Year

We all are proud of the hard work and accomplishments that resulted in the new rehab residences and other physical expansions and improvements. But our bottom line at Livengrin is always to improve the ways by which we help people suffering from dependency.

The clinical team has a constant process of examination of our programs and techniques, as well as learning from national trends and the work of others. All clinical leadership attended a two-day retreat to discuss our strengths and deficiencies and develop a plan to address major issues. There were fourteen task forces initiated; some have since been combined and a majority continues to work on their assignments.

And we're particularly alert to identifying a part of the community that isn't being adequately served. This is what brought about our vigorous service called FRAT. The First Responders Addiction Treatment Program was developed for police, firefighters and EMTs - the people who not only protect and rescue, but also experience exceptional pressure and trauma firsthand. FRAT also extends to combat veterans, society's "original first responders."

This initiative started in a Residential level of care and in the past year expanded into the Outpatient area. There are focus groups, counselors dealing specifically with responders' therapeutic issues, support groups for this population, and partnerships with responder departments, unions and employee-assistance offices.

Similarly, for another specialized group, nurses, our focused Healthcare Professionals Program has grown, with continued marketing efforts to a national audience.

Having identified a major shift in the demographics of our population, we revised our rehab program toward a dual-tier model. All newly admitted patients enter a "Tier I" level where more intensive treatment and oversight is provided, generally for the first week. As we identify specific treatment-destructive issues, we immediately begin to intervene through a new team of intensive-care counselors. Patients enter "Tier II" once they've "settled in" and become accommodated to treatment and its value.

We began an initiative to increase the number of patients in Residential programs to consider the use of medication-assisted treatment. Even though we do not currently



The Fort Washington Counseling Center hosted the annual 5K Run for Recovery.



In its ninth year, the Ride for Recovery is one of the region's major motorcycle rallies.



provide buprenorphine and methadone maintenance as an adjunctive treatment modality, we are tracking the results of other medications and the trend is one of progressive improvement.

We have undertaken a program for patients (and interested staff) for smoking cessation. After an initial orientation for all newly admitted patients, those who choose to enter this program receive education, support groups, a daily nicotine patch and other elements of treatment.

Our strong family-recovery element now engages a patients' loved ones as soon as they enter the facility, be it for detox, rehab or outpatient.

A new Assistant to the Clinical Director was recruited to monitor the needs of the Outpatient sites, thus increasing communication, efficient marketing and an overall significant improvement in revenue generation.

We helped more people in this past fiscal year than ever before, and are anticipating another fruitful year to come.



Mark C. Wallen MD

Dr. Mark C. Wallen
Medical Director



William Lorman

Dr. William Lorman
Clinical Director



Richard Lewis spent a day with Livengrin for its 45th Anniversary. The veteran comedian and author generously provided an inspirational chapter of his personal journey to rehab patients and toured the new patient residences. At our evening celebration Lewis met with Rick Pine, Board members Dr. Eileen Bonner and Ben Ciliberto, Deborah Beck of the Drug & Alcohol Service Providers of Pennsylvania, Board member Julie Negovan, Esq., and State Representative Gene DiGirolamo - and then went on to his keynote presentation.





LIVENGRIN

The Foundation for Addiction Recovery

A private, nonprofit organization founded in 1966

4833 Hulmeville Road, Bensalem, PA 19020
215.638.5200 • 800.245.4746 • Fax: 215.638.2603
info@livengrin.org

www.livengrin.org

1609 Woodbourne Road #403
Levittown 19057
215-547-1440

350 S. Main Street #101,
Doylestown 18901
215-340-1765

550 Pinetown Road #150
Fort Washington 19034
215-540-8301

9140 Academy Road
Philadelphia 19134
215-335-3419

961 Marcon Boulevard #304
Allentown 18109
610-264-5521

355 W. Lancaster Avenue
Haverford 19041
610-642-4604

195 Bristol - Oxford Valley Road
Langhorne, PA
215-638-5266



Scan with your phone
or other device to
visit our website

BOARD OF DIRECTORS Fiscal Year 2012

Michael Astringer
*Human Capital Consultants
Philadelphia, PA*

Anne Berlin
*Coalition of Cancer Cooperative Groups
Philadelphia, PA*

Donald A. Billingsley
*Project H.O.M.E.
Philadelphia, PA*

Eileen M. Bonner, M.D.
*Dow Chemical
Springhouse, PA*

Michael D. Chapman (Vice-Chair & Treasurer)
*C&C Auto Group
Horsham, PA*

Bernard K. Ciliberto (Chair)
*C & M Home Builders, Inc.
Perkasie, PA*

Rev. Msgr. William A. Dombrow
*Rector, Villa Saint Joseph
Darby, PA*

Scott I. Fegley, Esq.
Yardley, PA

Daphne G. Floyd (Secretary)
*The Philadelphia Protestant Home
Philadelphia, PA*

Steven Leckerman
Feasterville, PA

Rob Leipziger
*Rob's Automotive Center
Bristol, PA*

Julie B. Negovan
*Kutak Rock
Philadelphia, PA*

Richard M. Pine
*Livengrin Foundation
Bensalem, PA*

Thomas Reinke
*Marcum, LLP
Wallingford, PA*

Peter Rotelle
*Rotelle Development
Glenmore, PA*

David A. Vidovich
*Tasty Baking Co.
Philadelphia, PA*

HONORARY DIRECTORS

Patricia Chapman
Richard W. Hartmann, Esq.*
David R. Johnson*
James M. Stewart*

* Emeritus Member