

ANNUAL REPORT

2012

Santa Maria Hostel





Service, Success, Sustainability

Santa Maria Hostel, Inc., as an agent of hope, is Texas' largest multi-site residential and outpatient substance abuse treatment center for pregnant and parenting women. Santa Maria recognizes that women's experiences with substance dependency differs greatly from that of men and responds through client-driven, family-centered, evidence-based, culturally-sensitive, and trauma-informed services



Santa Maria is proud to be a United Way Agency



And a BBB Accredited charity that meets all 20 standards for Charity Accountability

About Santa Maria



The Mission of Santa Maria is to empower women and their families to lead healthy, successful, productive, and self-fulfilling lives



Vision Statement

Santa Maria envisions a future as Texas' premier provider of specialized, trauma-informed, client-driven services for women and their families by assisting them in transforming their lives

Core Values

Honesty: We are committed to operating our organization with transparency, integrity, and accountability and being models to our employees and our clients on the value of honesty

Respect: We are committed to treating our clients, volunteers, employees, and partners with respect, providing the highest level of customer service and quality to all stakeholders

Citizenship: We are committed to making ethical decisions that generate and sustain trust, demonstrate respect, responsibility, fairness and caring and are consistent with good citizenship



Dear Friends of Santa Maria,

For the past 56 years, Santa Maria has been an Agent of Hope in and around the Houston community for tens of thousands of women and their families. With the generous support from the community and people like you, we are able to provide housing, food, substance abuse treatment and recovery services, prevention, education, job training, and medical care, all within a well defined and executed continuum of care. On any given day one can walk through either of our locations and see these services in full effect, making a positive difference in the lives of these women and children.

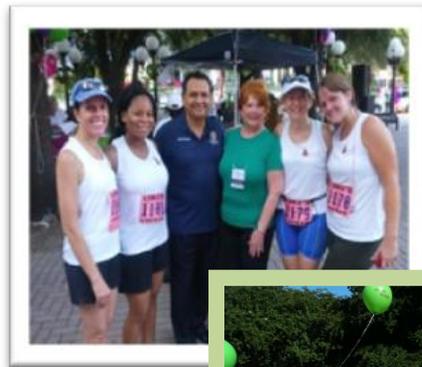
What you can't see and what amazes me most about the work we do at Santa Maria is the hope we give our clients. Upon entering Santa Maria, hope is something that many of the women have lost. Many have lived on the streets where addiction, abuse, and mental disorders have taken away their hope and sometimes their will to fight. Many, if not all, carry the shame and stigma so prominent yet so different from their male counterparts. As Agents of Hope, every staff member in partnership with our Board of Directors is fully committed to empowering women and their families to lead healthy, successful, productive, and self-fulfilling lives.

With your support we can and will continue to be Agents of Hope and assist in reclaiming their lives.

Sincerely,



Kay Austin
Chief Executive Officer



Celebrating Over 50 Years of Service

Service

Santa Maria Provided Services
for over 1663 women and
children in 2012

- 78% were single
- 94% were unemployed
- 52% had not graduated High School
- 89% were homeless or had no permanent stable living situation
- 43% had an active CPS case
- 40% were victims of domestic abuse
- 78% had co-occurring psychiatric disorders
- 99% were at or below poverty level



**Your contributions
and support
change
families' lives**

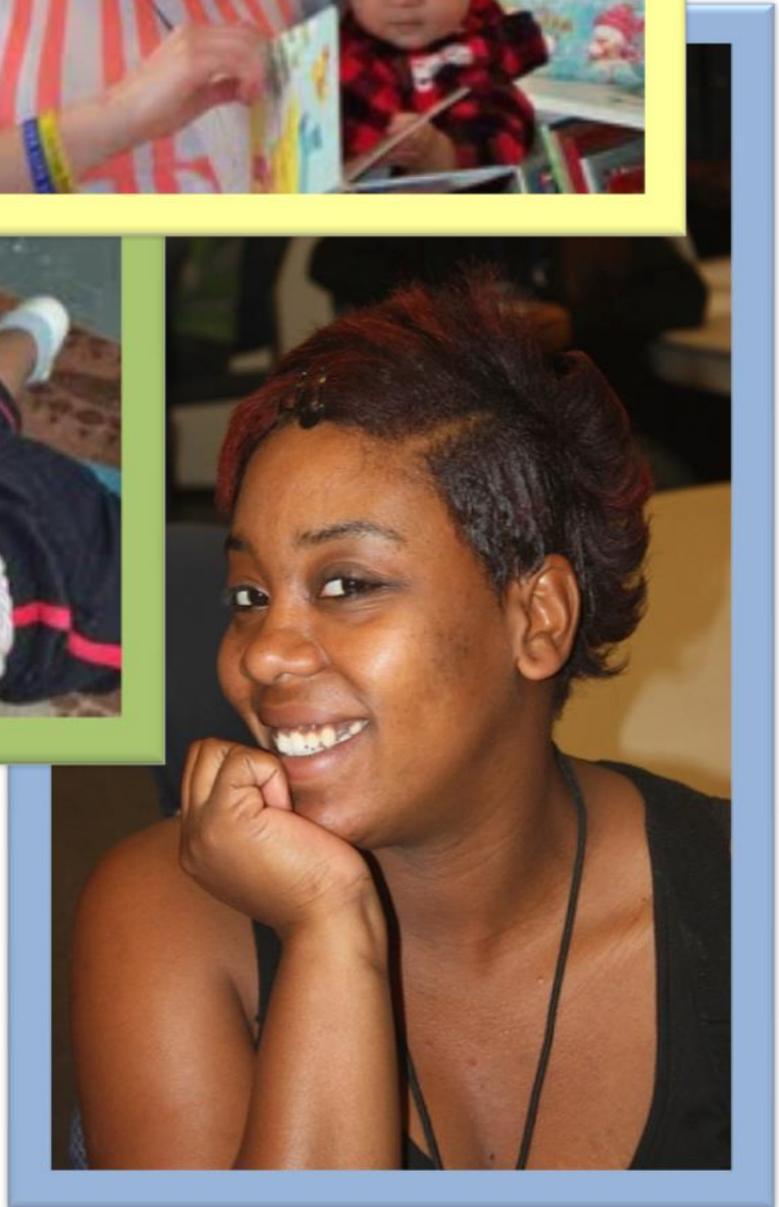
*“Today, I am someone new
Santa Maria it’s because of you
You take the time out of your lives
To make me feel like I am someone real
I’ve never had someone show me the way
For this I am **THANKFUL**
Words could never say
If it wasn’t for me being here
I wouldn’t have whom I hold dear
To have and to hold them every night
Makes me know I’ll never lose sight
My sobriety is everything to me
Thank you Santa Maria for the tools and
letting me see
Whom I am **THE REAL ME**”*

By Jennifer W., a Santa Maria client

Success

**In 2012 we provided
33,565 Residential
Treatment Days**

- **75% of clients were successfully discharged**
- **85% remained drug free post discharge at 60 days, vs. State target of 70%**



**In 2012 we also provided
22,268 Transitional
Housing Days**

- **46% of clients were employed at discharge**
- **55% of clients moved to Permanent Housing at discharge**

Sustainability



Last year over 1,158 volunteers provided 10,386 hours of volunteer time for Santa Maria



Over \$518,000 of in kind donations were received, ranging from diapers to food for the over 155,000 meals we served our clients



COLLABORATION

Santa Maria partners with over 60 agencies and organizations to assist in providing comprehensive services to our clients and funding for our programs

The Santa Maria Annual Gala, hosted by the 15 member Board of Directors, grossed \$190,410 and was attended by 385 guests, including honorees County Judge and Mrs. Ed Emmett



Private and Corporate Foundations, Churches, and Community Organizations granted over \$300,000 to Santa Maria for specific projects and general operating support

BRIEF HISTORY

Santa Maria has 56 years of experience serving women in crisis and continually responding to the emerging needs of the community we serve. We began in 1957 as a shelter for abused women and parolees and continued over the next 50 years through a shift in services to the treatment of gender specific substance abuse disorders in the 1980s and early 1990s.

Santa Maria expanded its continuum of care in the late 1990s to address the specialized needs of pregnant and parenting women, and again after the year 2000, to include treatment for women with co-occurring substance abuse and psychiatric disorders. Targeted services for women involved with Harris County's WHO Program were implemented in 2005.

The Texas Department of State Health Services estimates 99,757 pregnant/parenting women needed treatment in 2010, increasing to 108,525 by 2015

In 2009 we expanded once again with the addition of transitional housing for women new to recovery to provide a foundation for economic stability, independent living and continued abstinence from substances and recovery. Then again in 2011 with the addition of supportive housing and treatment and housing for female homeless veterans and the Baby and Mother Bonding Initiative program, a pilot program with UTMB and TDCJ.

In 2012 we were a leader in the State in implementing Recovery Support and Coaching Services throughout our continuum of care and now also conduct recovery coaching under the Federal Second Chance Act, both pre and post incarceration.



SERVICES FOR WOMEN

Impacting their lives, their families, and our community

Santa Maria has been very successful at addressing the effects of substance abuse on mothers and their children by providing comprehensive services through a continuum of care.

A continuum of care simply means that Santa Maria is involved in all aspects of a client's recovery for as long as needed to ensure continuing success. Santa Maria's clients are assessed and provided services in the continuum based on their individualized needs and progress towards achieving improved mental and physical health, family functioning and economic stability that supports a drug and violence-free lifestyle.

Santa Maria's continuum of care for pregnant and parenting women and women with children accompanying them to treatment includes:

- Intensive Residential Treatment;
- Supportive Residential Treatment;
- Outpatient Treatment and Recovery Support Services (Peer to peer mentoring);
- Integrated services for clients identified with co-occurring psychiatric and substance abuse disorders throughout all levels of care;

- Post-treatment follow-up after women and their children complete all services;
- Individualized case management at all levels of care; and,
- Supportive services to include transitional housing, parenting, life skills, educational and vocational services, and additional adjunct services.

SUBSTANCE ABUSE COSTS OUR NATION OVER \$600 BILLION ANNUALLY

The National Institute on Drug Abuse (NIDA) estimates that **every \$1.00 spent on addiction treatment saves \$12 in health care and criminal justice costs**

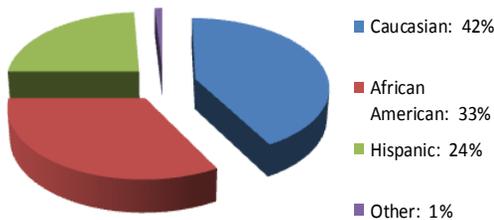
For every **\$100,000 spent on treatment, \$487,000 of health care costs and \$700,000 of crime costs are avoided**



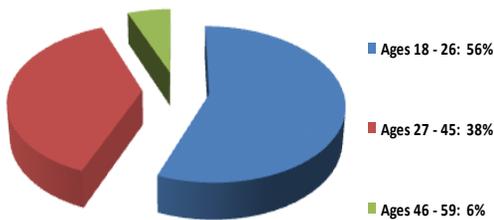
WHO WE SERVE

Santa Maria's clients for treatment services are women with children or pregnant women who have a history of chronic drug abuse. Approximately 99% of our clients live below the federal poverty level, and most suffer from tremendous financial difficulties.

Although Santa Maria serves women from all over Texas, our target region includes the 13 counties surrounding the Houston metropolitan area, and includes women from all age groups and backgrounds.



Client Race Demographics



Client Age Demographics

Other challenges our clients face include:

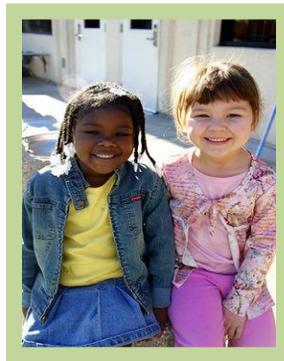
- Psychiatric disorders: 78% suffer from untreated emotional, physical or sexual abuse;
- No medical resources: little or no prenatal or dental care; and
- Length of drug or alcohol use averages 10 years

Drug or alcohol abuse is found in 80% of families with abused children

Children of substance abusing parents are 3-4 times more likely to be neglected

Over 2/3 of parents involved with the child welfare system need substance abuse treatment

SERVICES FOR CHILDREN



Santa Maria prides itself in being a treatment-informed organization that serves not only women, but also their children. Santa Maria firmly believes that keeping and treating families together helps in the recovery process and provides:

- Daycare and babysitting for children who reside at Santa Maria while their mother is in residential treatment;
- On-site children's library to encourage mother and child bonding and literacy
- On-site Medical Clinic staffed by a physician and pediatric nurse practitioner for initial assessments, well baby visits, and triage
- Prevention Services to reduce problem behaviors, delinquency, alcohol and drug abuse in

children and to improve social competencies and school performance

- Parenting Classes for women using *Partners in Parenting*, an evidenced-based curriculum for recovering parents to learn and practice parenting strategies and skills and discuss their experiences with others; and
- Additional Activities such as museum and movie trips, holiday events, sports outings, and reading programs.

GROWING TO MEET THE NEEDS



Santa Maria has been a Department of State Health Services (DSHS) licensed provider for residential treatment services for since 1992. Since that time Santa Maria has grown in program size, funding diversification, donor support, and facilities in an effort to meet the needs of the women and children we serve in our 13 county region.





As one of the largest providers in the State, Santa Maria currently has:

- 142 Licensed Treatment Beds
- 220 Outpatient Slots
- 32 Single transitional housing beds
- 28 Family transitional housing apartments
- 24 Single VA Housing beds



Santa Maria's original facility, is also still owned by the organization and is in the process of being converted into a Recovery Support Center, and will be utilized in the near future for recovery coaching activities, the Prevention program, and as a sober housing center for women with children. This over 100 year old home is pictured above



The U.S. Agency for Healthcare Research and Quality found, in a given year, that approximately 2.3 million hospitalizations per year are due to substance abuse related disorders at an average annual cost exceeding \$2,000,000,000 nationally

These studies have also shown that every mother who delivers a healthy baby while in treatment saves taxpayers \$400,000

OUR PROGRAMS

Santa Maria provides a continuum of care ranging from Intensive treatment to Outpatient services, with Co-Occurring disorders treatment, transitional housing, and recovery coaching throughout the continuum, utilizing a trauma-informed therapeutic approach, research/evidence-based curricula and group processes identified as effective with the target population. Therapeutic structured activities are provided based on level of care and individualized needs.

Intensive Residential Treatment

Clients require maximum structure to achieve successful treatment outcomes. Therapeutic structured activities provided a minimum of 30 hrs/week based on individualized client needs. Length of treatment stay averages 30-45 days, however, women who bring a child with them to treatment qualify for longer length of stay.

Supportive Residential Treatment

Therapeutic structured activities provided a minimum of 10 hrs/week, allowing clients to benefit from supportive services. Clients may also be transitioning from another level and require additional time to build a foundation for sustained recovery. Length of stay averages 30 days.

Co-Occurring Disorders Services

Santa Maria offers integrated services for clients with co-occurring psychiatric and substance abuse disorders throughout all levels of care to assist in client stabilization, medication management and engagement of treatment and recovery.

During 2012, 78% of clients admitted to Santa Maria had co-occurring psychiatric and substance use disorders.

40-60% of adult offenders diagnosed with a mental disorder do not receive treatment prior to release from jail.

Santa Maria offers an alternative to incarceration treatment program, with co-occurring disorders services, that has been shown to greatly reduce recidivism.

OUR PROGRAMS (Continued)

Outpatient Services

Clients who are in need of treatment but do not meet the criteria for residential services or have completed the intensive and/or supportive levels of care successfully and require continued treatment and support in recovery. Clients attend a minimum of 3 hours/week of therapeutic structured activities based on individualized need, for up to 6 months.

Recovery Support Services

Recovery Support Services and Recovery Coaching are a process of change through which clients improve their health and wellness, live a self-directed life, and strive to reach their full potential. By affording clients the opportunity to obtain support and accountability through a peer to peer mentoring and coaching system to sustain recovery, from admission through post-discharge, Recovery Support Services are an integral part of recovery plans and can greatly improve outcomes.

Transitional Housing

Santa Maria offers transitional housing for single women, homeless female veterans, and mothers with children, for periods of up to one year. We provide a safe, nurturing environment for mothers and their children to begin to rebuild their lives, whether in recovery or reclaiming their lives from trauma, abuse, homelessness, or incarceration. Case management services, GED classes, parenting, life skills, child care and other supportive services are offered to assist clients in reaching their educational and employment goals.

Supportive Services

An on-site medical clinic for non-emergency medical needs, parenting classes, life skills training, educational and vocational services, referrals and information, case management, family counseling, childcare and transportation assistance, and additional supportive services are available. For residential clients and their accompanying children, Santa Maria provides meals/snacks, health assessments, special events and access to a court liaison. Families receive assessment, referrals, education and group counseling.

DSHS reports that the total economic cost of alcohol and drug abuse in Texas exceeds **\$25.9 billion annually**

Nationally, the cost exceeds \$600 billion.

Every dollar spent on treatment yields a savings of \$7 in crime and criminal justice costs



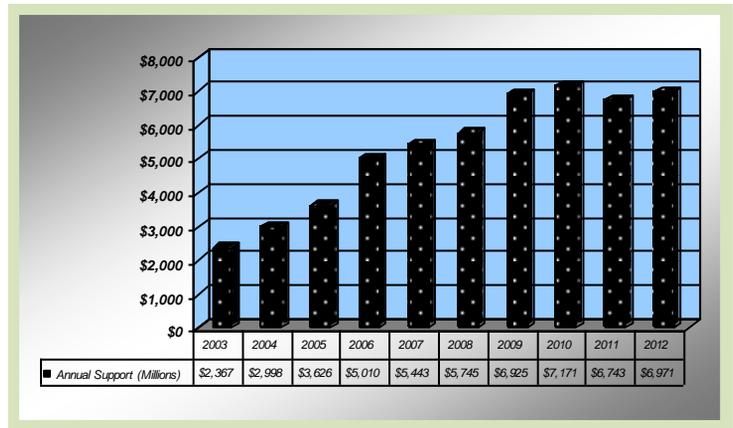
Santa Maria served 1,663 women and children in 2012:

***766 – Substance Abuse Treatment
222 – Transitional housing
483 children and
192 family members were
provided with supportive services***



FINANCIAL PERFORMANCE

| | |
|----------------|---|
| Transparency | ✓ |
| Accountability | ✓ |
| Compliance | ✓ |
| Sustainability | ✓ |

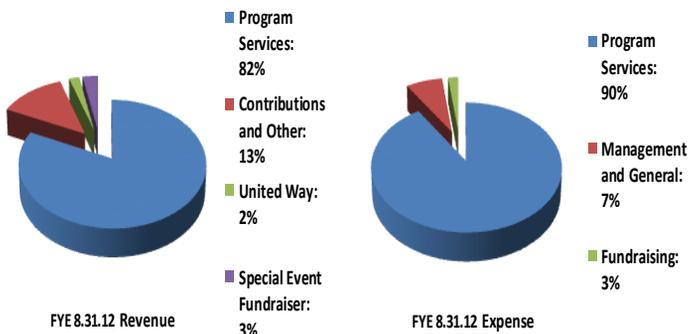


From annual revenues of \$2,367,011 during fiscal year 2003; public support, grants and donations to Santa Maria increased to \$6,971,706 in 2012, an increase of 194%.

Santa Maria sincerely appreciates your contributions and asks for your continued support in the years to come

| SMH Statement of Activities | FYE 8.31.12 |
|-----------------------------|---------------------|
| Revenue | |
| Contributions & Other | \$ 942,227 |
| Program Services | \$ 5,699,687 |
| United Way | \$ 139,382 |
| Special Event Fundraiser | \$ 190,410 |
| Total Revenue | \$ 6,971,706 |
| Expense | |
| Program Services | \$ 6,115,081 |
| Management and General | \$ 474,275 |
| Fundraising | \$ 211,975 |
| Total Expense | \$ 6,801,331 |

Program Services increased from a cost of \$1,965,687 in 2003 to \$6,115,081 in 2012, an increase of 211%, yet Management and General expenditures in the same period increased only 101%, to only 7% of total costs in 2012



SMH Comparative Statement of Financial Position as of 8.31.12

| Assets | 2012 | 2011 | Change |
|---|---------------------|---------------------|------------|
| Cash | \$ 715,116 | \$ 642,333 | |
| Accounts Receivable | \$ 589,428 | \$ 381,451 | |
| Land | \$ 21,280 | \$ 21,280 | |
| Autos | \$ 45,467 | \$ 116,002 | |
| Buildings/Imp | \$ 980,129 | \$ 975,829 | |
| Furniture/Fix/Equipment | \$ 428,012 | \$ 419,712 | |
| Acc Depreciation | \$ (770,727) | \$ (771,757) | |
| Other Assets | \$ 1,965 | \$ 1,675 | |
| Total Assets | \$ 2,010,671 | \$ 1,786,525 | 13% |
| Liabilities | | | |
| Accounts Payable | \$ 109,425 | \$ 481,638 | |
| Accrued Liabilities | \$ 418,046 | \$ 6,667 | |
| PR Taxes Payable | \$ 30,430 | \$ 0.00 | |
| Notes Payable | \$ 222,945 | \$ 238,770 | |
| Total Liabilities | \$ 780,846 | \$ 727,075 | 7% |
| Net Assets | | | |
| Unrestricted | \$ 1,178,637 | \$ 947,711 | |
| Temp Restricted | \$ 51,188 | \$ 111,739 | |
| Total Net Assets | \$ 1,229,825 | \$ 1,059,450 | 16% |
| Total Liabilities and Net Assets | \$ 2,010,671 | \$ 1,786,525 | 13% |

COMPARATIVE PERFORMANCE

From annual revenue of just \$2,367,011 during fiscal year 2003, we have diversified and expanded our continuum of care and program services to nearly \$7,000,000 in revenue and support during FYE 8.31.12. This growth is despite a 20% across the board reduction in TX DSHS funding of treatment during FYE 8.31.11 and the introduction of substance abuse treatment benefits under Medicaid, paid at reduced rates for both residential and outpatient care.

Net assets during this same period increased from \$679,975 in 2003 to \$1,229,825 in 2012, an increase of 81%.

Please visit our website, www.santamariahostel.org to view Complete FYE 8.31.12 IRS Form 990 and annual audit report, with financial statements, OMB Circular A-133 compliance report, and supplementary information

Governance

2012 BOARD OF DIRECTORS

Santa Maria Hostel Board of Directors Officers

J. Byron Wake, Chairman
Walter Fitzgerald, Vice Chair
Carla Kneipp, Secretary
Robert McMillan, Treasurer

Santa Maria Hostel Board of Directors Members

Sue Barry
Veta Byrd
Douglas Hidalgo
Jennifer Howard
Andy Icken
Pat Kiley
Chrissy Mafrige
Heather Mize
Tony Muscat
Xavier Pena
Kelly Plato

Santa Maria Hostel Officers

Kay Austin, CEO
Barbara M. Page, CFO

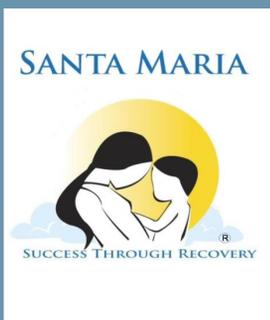


As a nonprofit organization, Santa Maria depends on the active involvement of Board Officers and Members in order to fulfill its mission and meet the needs of the community. The Board provides Corporate government and oversight, and each member participates on select Board committees. Board members also provide support for Santa Maria's management team, participate in strategic planning, annual budget approval, and discuss program modifications and additions.

Santa Maria's Board members provide a leadership role in the planning and development of funds needed for the organization by assisting in the planning and fundraising for the organization's annual Gala (pictured below are 2012 Gala Co-Chairs Mr. and Mrs. Norman Nolasco and Mr. and Mr. Harold Hidalgo, Sr.), which helps raise funds used to support the programs and services of Santa Maria, supporting the development plan of the organization, recruiting volunteer leadership for fundraising activities and approving fundraising goals and guidelines for the organization. They also work through the year to support our fundraising efforts and are seen at many of our special functions, such as holiday celebrations at the facilities and our twice annual client graduation ceremonies held at the United Way of Greater Houston.

The Board consistently strives to be representative of the clients we serve and now includes a former Santa Maria client who has been successful in her recovery and in her career.

IT TAKES A COMMUNITY TO ACCOMPLISH OUR MISSION – THANK YOU!



For our Clients and the Community We Serve;

We intentionally put our Board commentary at the rear of this Annual Report. This is because we want the emphasis on our clients, and how as a result of the care they receive, there is “renewal with hope” and a chance to begin again their lives in a sober environment.

On behalf of our Board, and our positively driven Management and Staff, we hope that you too are energized by the work we are doing at Santa Maria Hostel. We are committed to the women, and women with children, that we serve in the Houston community and sincerely thank you for your steadfast support.

J. Byron Wake

Santa Maria Hostel Board Chairman

2012 Volunteers

AA, CA, NA Groups
Cuddles Program Volunteers
Jewish Community Center
Bel Inizio, Reflexology Fitness
Recovery Coaches
Mentors: Priscilla's Lost and Found
Spirituality:
Abiding Faith Church,
Stephens Baptist Church
Terrace United Methodist Church
Cynthia Oualline & Margo Withers
Tutors: Mr. Darville, Bryn Jimenez,
Jillian Grimm
CenterPoint Energy
Baker Botts
PriceWaterhouseCoopers
Angel Tree: Bill Lloyd
ExxonMobil
HomeAid Houston
Teach for America
Yes Prep School
Super Neighborhoods
Three Oaks Academy
Thanksgiving Dinner Volunteers
Spirit of Life Church
Harvest Time Church
PowerHouse Church
Memorial Drive Presbyterian Church
Joey King & Group
Pamela Morse, DAR
Bridge Point Bible Church
West University Rotary Club
Shell Oil
Run for Recovery Volunteers
St. Jerome Church Volunteers
Minister Vickie bell & Volunteers
Pearl Ministries
Eddie B. & Bud Harrell

Community Partners and Collaborators

Abiding Faith - Methodist Congregation
The Alcohol/Drug Abuse Women's Center, Inc.
All About Recovery
Angela House
Association of the Advancement of Mexican Americans
Avance
Bay Area Council on Drugs & Alcohol
Bel Inizio
Brazos Place
Career and Recovery Resources, Inc.
Catholic Charities
Cheyenne Center
Child Protective Services
Coalition for the Homeless of Houston/ Harris County
Coalition of Behavioral Services
The Council on Alcohol and Drugs Houston
Crockett Elementary School
Depelchin Children's Center
Dress for Success
Extended Aftercare, Inc.
Fair Haven Methodist Church
Fort Bend Regional Council on Substance Abuse
The Foster Grandparent Program
Gracewood
Great Awakening Ministry
Gulf Coast Center MHMRA
HACS
Harris Academy Aldine ISD
Harris County Sheriff's Office
Houston Area Community Services
Houston Area Women's Center Houston Food Bank
Houston Graduate School of Theology
Houston Recovery Campus
Impacting Change

Carol Klein
Legacy Community Health Services
Little Folks Child Care
Lord of the Streets Episcopal Church
Memorial Family Residency Program MHMRA
Memorial Hermann PaRC
Methodist Children's Home
Montrose Counseling Center
Neighborhood Centers
Our Lady of the Lake University
Kathleen Pitts
Plane State Jail
Planned Parenthood of Houston
Prairie View A&M University Prevent Blindness
Renew All Ministries
The Right Step
RSVP of the Texas Gulf Coast
Salvation Army Boy's & Girl's Club
SAV Pharmacy
SEARCH Homeless Services
Second Chance Ministries
Shady Park City of Houston
Sign Shares
Solutions Plus
Harris County District Courts
Star of Hope Mission
Terrace United Methodist Church
Texana Center
The Turning Point, Inc.
Unlimited Visions Aftercare
Volunteers of America Texas, Inc.
Wheeler 5C', Madge Bush Transitional Living
Margot Withers
The Women's Home
Workforce Solutions
Yes Prep Middle School

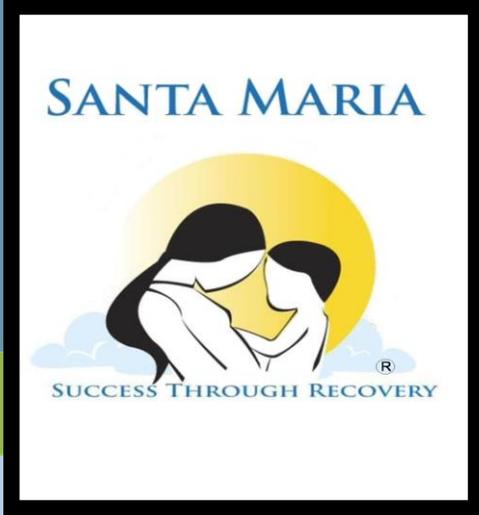


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 El Paso Corporation
 Enite LP
 Extended Aftercare Inc
 ExxonMobil Foundation
 Foundation Strategies
 Frees Foundation
 Hammon Foundation
 Healthy Houston Healthy Texas
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 Trace Custom Homes
 United Way of Greater Houston
 Vinson & Elkins LLP





Santa Maria Hostel



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