

Oxford House, Inc.

Annual Report

Fiscal Year

2004

Back to Basics

Theme of the Sixth Oxford House World Convention

Oxford House, Inc.
1010 Wayne Avenue, Suite 400
Silver Spring, Maryland 20910

Oxford House™

1975-2005

30 Years of Organized Self-Help to Enable Alcoholics and Drug Addicts to Recover Without Relapse

- Sole Authority for Oxford House Charters
- Providing Technical Assistance to Establish New Oxford Houses
- Providing Technical Assistance to Keep Existing Oxford Houses on Track
- Providing Organization of Chapters to Help Houses Help Themselves
- Providing the Time, Living Environment and Support to Enable Alcoholics and Drug Addicts to Recovery Without Relapse
- Providing the Legal, Philosophical, and Scientific Framework for a Cost-effective, Worldwide Network of Supportive Recovery Housing.

Write or Call

Oxford House World Services

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About Oxford House, Inc.

Oxford House, Inc. is the twenty-nine year old Delaware nonprofit, 501(c)(3) corporation that serves as the umbrella organization of the worldwide network of more than 1,000 individual Oxford Houses. Its central office is located at 1010 Wayne Avenue, Suite 400, Silver Spring, Maryland 20910.

Oxford House™ is a concept and system of operations based on the experience of recovering alcoholics and drug addicts who learned that behavior change is essential to recover from alcoholism and drug addiction. They also learned that Oxford House provided the living environment that could help them become comfortable enough with abstinent behavior to stay clean and sober without relapse.

The Oxford House Manual® is the basic blueprint that provides the organization and structure that permit groups of recovering individuals to successfully live together in a supportive environment. All Oxford Houses are rented ordinary single-family houses in good neighborhoods. There are Oxford Houses for men and Oxford Houses for women but there are no co-ed houses. The average number of residents per house is about eight with a range per house of six to sixteen.

Oxford House works because it has: (1) no time limit on how long a resident can live in an Oxford House, (2) follows a democratic system of operation, (3) utilizes self-support to pay all the household expenses, and (4) adheres to the absolute requirement that any resident who returns to using alcohol or drugs must be immediately expelled. Oxford House provides the missing elements needed by most alcoholics and drug addicts to develop behavior to assure total abstinence. It provides the time, peer support and structured living environment necessary for long-term behavior change to take hold.

Individuals living in an Oxford House learn or relearn values, responsible behavior, and slowly but surely develop long-term behavior to assure comfortable sobriety -- forever. Some individuals live in Oxford Houses a few months, others for many years. Together, these individuals develop each Oxford House into a place where residents can learn to live a responsible life without the use of alcohol and drugs.

More than 1,000 individual Oxford Houses follow the three goals of Oxford House - Recovery, Responsibility and Replication – year after year. FY 2004 is another successful chapter toward the Oxford House goal of providing enough houses for every alcoholic and drug addict to have the opportunity to achieve recovery without relapse.

Silver Spring, Maryland
March 2005

Oxford House, Inc. Board Members

Jerry Conlon, Chairman
Former Executive CNW Railway
1020 S. Knight Street
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Admiral Paul Mulloy
Retired United States Navy
25 Rydal Mount Drive
Falmouth, MA 02540

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Director William E. Paley Foundation
2023 Massachusetts Ave. NW
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Leslie Sims *
World Council Chairperson
11900 S. Pfummm
Olathe, KS 66062

* Resident or Alumni member

The Individual Oxford House

Structured, Cost-Effective, Proven

You can visit any one of the more than 900 Oxford Houses and immediately know where you are. Unlike McDonalds, Oxford Houses do not have a large sign or “golden arches” in front of each house. But like McDonalds each Oxford House is following a standard set of practices and procedures. Each Oxford House has a charter from Oxford House, Inc. and is required to follow the 29-year-old proven standard system of operation.

The Oxford House Charter has three clearly defined conditions:

- Each house must be democratically self-run,
- Each house must be financially self-supported, and
- Each house must immediately expel any resident who returns to using alcohol or drugs.

Chartering is a two-step process: a six-month temporary charter followed by a permanent charter if the group learns the Oxford system of operation. During the six-month conditional phase a new house must demonstrate that it has learned the Oxford House system of operation. If it has not it is not given a permanent charter. The permanent charter has the same three conditions and any house that does not follow the Oxford system of operation loses its charter.

Teaching the Oxford House system of operation is fundamental to Oxford House success. The Oxford House World Council - made up of leaders elected by houses and Oxford House alumni – focuses on the development of policy, workshops and mutual support among individual houses to provide on-going teaching of the Oxford House system of operation. The Oxford House World Services Office – the professional staff operating under the direction of the Oxford House, Inc. – provides service to all Oxford House entities – houses, chapters, state associations and the annual Oxford House World Convention. It also is the official connection of Oxford House with government agencies, treatment providers, courts, the press and the recovery community as a whole.

Oxford House outreach workers trained by Oxford House World Service or housing committees of chapters of existing Oxford Houses are best able to start new Oxford Houses. The cost of finding a house to rent, suitable residents to live in the house and training the new residents the system of operations averages about \$30,000 a house. Once a house is established the residents equally share all household expenses. This self-support feature of Oxford House makes the program very cost-effective. In the year 2003 Oxford House residents paid in aggregate rent and household expenses of \$35,390,940.

Not only do the Oxford House residents pay their own living expenses but they also manage the operation of their own Oxford House. They hold weekly house meetings and elect officers from among house residents. No officer can hold the same office for more than six months.

Each officer has specific duties and by following the prescribed procedures for handling money, weekly business meetings and applicant interviews once established Oxford Houses stay on track by following the Oxford system of operation.

President

- Leads Weekly Meeting
- Overall Leadership
- Attends Chapter Meetings
- Co-signer of checks

Secretary

- Takes Meeting Notes
- Contacts Treatment Providers
- Notifies House Applicants
- Monthly reports to OHI

Treasurer

- Keeps Checkbook
- Pays House bills
- Co-signer of checks

Comptroller

- Collects Weekly Rent
- Audits Treasurer's Books
- Posts weekly payments

Coordinator

- Supervises Household Chores
- Buys House Supplies
- Reports to meeting on chores
- Enforces fire safety practices

Good Houses in Good Neighborhoods

Oxford Houses are rented single-family homes in good neighborhoods. The house should have at least 4 bedrooms and two baths. The best size group is 8 to 12 and every group is limited to the same sex – no co-ed houses.

The Federal Fair Housing Act of 1988 prohibits discrimination against recovering alcoholics and drug addicts living together in a single-family neighborhood. This protection is important because recovering individuals are good neighbors and the location of the house in a good neighborhood contributes to the success of recovery without relapse



Oxford House-Hilltop in Cherry Hill, New Jersey is a house for eight men. The house was established June 1990 and by June 2003 had helped more than 143 master recovery. Early in its existence the house won a zoning case to assure that Oxford Houses could be located in a family neighborhood.

Oxford Highlights

- **9,021 Number of Oxford Recovery Beds**
- **1,087 Number of Oxford Houses as of March 2004**
- **41 Number of States having Oxford House**
- **276 Number of cities having Oxford Houses**
- **\$1,383 average monthly income of individuals living in Oxford Houses June 2004**
- **\$86.25 average weekly share of expenses paid by Oxford House residents**
- **53% of Oxford House residents had been homeless for an average of 6 months**
- **71% addicted to drugs in addition of alcohol**
- **78% had done jail time because of crime connected with their addiction**
- **0% arrested for outside crime after moving into an Oxford House**
- **80.9% live in an Oxford House without relapse**
- **14.6 months average length of sobriety among Oxford house residents**
- **3 newly recovering applied for each vacancy in 2004**

Oxford House Resident Profile¹

Number of Women's Houses:	246	No. of Women Residents:	2,041
Number of Houses For Men:	841	No. of Men Residents:	6,980
Global Network of Houses:	1,087	Total Number of Residents:	9,021
Number of States with Houses:	41	Number of Cities with Houses:	276
Cost Per Person Per Week:	\$86.25	Rent Per Group Per Month:	\$1,287
Residents Working 6/15/02:	92%	Average Monthly Earnings:	\$1,383
Percent Addicted To Drugs or Drugs and Alcohol:	71%	Percent Addicted to Only Alcohol:	29%
Race --		Marital Status --	
White;	54%	Never Married	45%
Black;	42%	Separated	18%
Other	4%	Divorced	32%
		Married	4%
		Widowed	.1%
Prior Homelessness:	53%	Average Time Homeless:	6 Mos.
Prior Jail:	78%	Average Jail Time:	13 Mo
Average AA or NA Meetings Per Week:	5.1	Percent Going To Counseling <u>and</u> AA or NA:	43%
Average Length of Sobriety of House Residents:	14.5 Mos.	Residents Expelled Because of Relapse:	19.1%
Average Length of Stay In An Oxford House:	12.1 Mos.	Average No. of Applicants For Each Vacant Bed:	3

¹ As of June 30, 2004 or March 1, 2005 based on standard OHI survey and house reports.

San Antonio Oxford House Convention August 12-15, 2004
“Back to Basics” Breakout Panels at Convention Were “GREAT”

G	<ul style="list-style-type: none"> • Good Neighborhood • Good Houses • Good Group 	<p>Panel “G” Participants were Rich Christensen [NJ], Robin Breckenridge [OR], John Fox [NC], Michelle Mac Kenzie [LA] and Dave Cikesh [MO]. The panel discussed the value of avoiding neighborhoods with high crime or drug sales. In short, the need for good neighborhoods. The panelists then spelled out the characteristics of a good house? Layout, parking, bathrooms, bedrooms and common rooms are important. Everyone agreed that the key to assuring a “good group” is provision of good training about the Oxford House system of operation. “If you read the Oxford House Manual[®],” said Rich Christensen, “and practice what it teaches, you will have a good group and a good house.” Everyone agreed.</p>
R	<ul style="list-style-type: none"> • Recovery • Responsibility • Replication 	<p>Panel “R” Participants were Eve MacMillan [Canada], Terri Martin [TX], Kirsten Halberg [NE], James McClain [MD], and Cliff Wilson [AK]. The 3 R’s are printed at the back of the Manual and the panel discussed how they are basic to making Oxford Houses work well. The first three panelists listed above all work in the treatment field. James and Cliff are not professionals but they know the territory from working with numerous Oxford Houses. Clearly, AA/NA and treatment lead to recovery but the idea of responsibility in an Oxford House helps achieve comfortable sobriety and, by expanding to new houses, the basic 3-R’s make a big contribution to Oxford success. All the panelists agreed that the time, peer support and opportunity to exercise responsibility account for the high rate of sobriety without relapse among Oxford House residents.</p>
E	<ul style="list-style-type: none"> • Equal Votes • Equal Cost • Equal Participation 	<p>Panel “E” Participants were Shirley Johnson [VA], Cleo Forward [TX], Marty Walker [LA], Judy Maxwell [WA], and Avery Mathis [NC]. The panel discussed the importance of the egalitarian operation of Oxford House. Because votes are equal, costs are equal and everyone participates in meetings and doing specific house related jobs, a strong bond is created among the members and among the houses. The five panels are all Oxford House residents or alumni who work closely with others in establishing new houses. All stated the belief that equal votes, equal cost and equal participation is key to a smooth running house and key to acceptance of individual responsibility.</p>
A	<ul style="list-style-type: none"> • Abstinence • Attendance at 12-Step Meetings • Alumni Active Participation 	<p>Panel “A” Participants were Ron Blake [AUS], Ron MacMillan [CAN], Joe Chavez [HI], Anna Mable-Jones [MD], and Blake Bippes [WA]. The panel discussed the everyday importance of emphasizing abstinence and attendance at 12-Step Meetings. Ron Blake, who is a member of the International Board of NA, reminded everyone that 12-Step participation is key to changing behavior “from the inside out.” While Oxford Houses provide a safe place to buy the time and peer support necessary to achieve individual change the 12-Step programs provide the roadmap for change. The role of the alumni is also important by coming back to residents and reminding them of the importance of getting comfortable enough with sobriety to avoid relapse. A good example is not only worth a thousand words but also provides the knowledge base for dealing with house problems.</p>
T	<ul style="list-style-type: none"> • Technology • Tolerance • Tough Love 	<p>Panel “T” Participants were James Monaghan [VA], Mary Paul [MD], Leslie Sims [KS], Gino Pugliese [WA], and Lester Fleming [NC]. Panelist discussed how houses should have a computer and become tied into real time vacancies. James Monaghan, who manages the OHI web site, assured everyone that technology can be mastered and provides a great outreach for every house. The panel also discussed how tolerance in an Oxford House helps everyone to get along with each other and to fairly decide who gets into the house. No tolerance for the relapser though – only “tough love” to keep a house’s charter. Together the three “Ts” serve as an important part of what makes Oxford Houses work well. Combined with the other panels the “Back to Basics” track provided a comprehensive road map for making sure that Oxford Houses work and expand to reach all who need them.</p>

The Oxford House World Convention was a great success. More than 400 Oxford House residents and alumni came to the San Antonio Hyatt Regency on the Water Walk for the annual convention. The themes above reflected the working panel discussion that lie at the heart of each convention. Residents and alumni from 37 states and two foreign countries learned how to make Oxford House a stronger resource for life-time recovery without relapse.

Spreading the Good News



Oxford House World Services publishes a number of pamphlets, forms and booklets and videos to describe how Oxford House works. In addition, it maintains a comprehensive web page, www.oxfordhouse.org and trains and manages outreach workers to provide on-site development of new Oxford Houses.

Oxford House, Inc. – the umbrella organization for all individual Oxford Houses – is financed by grants, contributions, and contracts. Over the long run, the World Services Organization will require subsidy from an endowment in order to continue expansion and to provide adequate supervision of an ever-growing network of individual houses.

Oxford House Tradition One

Oxford House has as its primary goal the provision of housing for the alcohol and drug addict who wants to stay clean and sober.

Of the nine Oxford House traditions the first one states most concisely the sole purpose of Oxford House. The theme of the 5th World Convention – *Recovery • Responsibility • Replication* – captures the long-term mission of the entire Oxford House family. *Recovery* is the process by which addicted individuals become free of addiction for the rest of their life. *Responsibility* is the means by which an individual gradually assumes control over his or her lifestyle so that choices can be consistently made to avoid the use of alcohol or drugs. *Replication* is the means through which addicted individuals living in an Oxford House™ share their newfound lifestyle of living in a supportive, alcohol and drug-free environment with other individuals wanting comfortable sobriety by starting new Oxford Houses to give other recovering individuals a real opportunity to achieve recovery without relapse.

Since no one believes that alcoholism and drug addiction will magically disappear from the face of the earth, Oxford House residents and alumni realize that the organization must prepare to continue its expansion and outreach efforts in perpetuity. Clearly contributions by individual houses, contracts and grants will always be the main sources of support to continue expansion. However, establishment of an endowment fund – similar to college endowment funds – can produce the necessary income to assure continue expansion and service to existing houses over the long run.

The 5th Annual Convention's primary resolution directed the management of Oxford House, Inc. to establish such an endowment fund as an entity separate from the organization itself. The separate entity is required in order to preserve the successful tradition of making certain that Oxford House, Inc. does not own property or other assets, which might divert its mission from *recovery, responsibility and replication*.

6th World Convention in San Antonio

Each year Oxford House residents and alumni from all over the country get together to participate in a three or four day annual convention. The first world convention was held in Washington, D.C. in 1999; the second in Kansas City, Missouri in 2000 and back to Washington, D.C. in 2001. In 2002 a three-day convention was held in Bellevue, Washington just outside Seattle and in 2003 it returned to Washington, DC at the Omni-Shoreham Hotel.



Participants of the 5th Oxford House World Convention presenting one of the fifteen panel workshops available to the more than 500 attendees at the Omni Shoreham Hotel in Washington, D.C.

The 2004 Convention met at the Hyatt Regency in San Antonio, Texas. As with other Oxford House World Conventions the convention ran from Thursday afternoon through Sunday morning. Pictured below are the delegates a year earlier voting on where to hold the next convention in San Antonio.



The annual convention is the one event where all Oxford Houses and alumni are represented and vote on resolutions binding the entire organization. The format of the annual convention has

become established over a period of six years. Residents and alumni from around the world attend in order to renew friendships and to establish policy for Oxford House overall because each person believes that it has positively influenced their sobriety.

Resolutions Adopted

The primary resolution adopted by the 5th World Convention related to the establishment of a separate trust fund dedicated to be used as an endowment fund to assure future expansion and organizational unity.

Key to the decision to keep the endowment fund separate from Oxford House, Inc. was the presentation by Dr. Jitendra Desai at the 3rd Oxford House World Convention in 2001. Dr. Jitendra of Roanoke, Virginia teaches at the University of Virginia Medical School and is a member of the American Society of Addiction Medicine. In his 2001 presentation Dr. Jitendra emphasized that the success of Oxford House rested greatly on the fact that it did not own property or accumulate wealth. "Like Alcoholics Anonymous, Dr. Jitendra noted, Oxford House keeps its eye on the prize – providing a safe, supportive place to live to assure recovery from alcoholism and drug addiction." At the same time, Oxford House residents and alumni recognized that funds are needed to expand the number of houses. Each year the organization has relied upon the generosity of a couple of people to keep up its work. For the long term a separate fund to provide an annual endowment will better assure continued expansion.

Sixth Annual Convention Highlights



Ron Blake at San Antonio Convention representing the Oxford Houses in Australia..



Board Chairman Jerry Conlon presenting an award to one of the sixty houses that made a voluntary contribution of \$600 or more to Oxford House World Services during the prior 12 months.



Convention attendees pay close attention as the candidates for Oxford House World Council seek their support.



A breakout panel at San Antonio Convention discussing reentry from jail into an Oxford House.

The 407 convention attendees enjoyed the inspiring story of Tom Keyser, Esq., keynote speaker, about recovery and the important role Oxford House living can play. The Oxford House hope is that someday everyone in recovery will have a chance to live in an Oxford House. Keeping to the “basics” is a sure path to success.



Dr. Meg Davis discussing results of the DePaul University studies of Oxford House during a breakout session.



The beautiful San Antonio Water Walk added to the joy of the 6th Oxford House World Convention as a peaceful place between busy convention sessions.



Michael Duffy, head of Louisiana Alcohol and Drug agency during a breakout panel on treatment and Oxford House.

State employees from seven states attended the convention, which has become a leading learning opportunity for all interested in recovery.

Oxford House, Inc.
Statement of Financial Position
June 30, 2004²

ASSETS	
CURRENT ASSETS	
Cash	\$ 9,265
Accounts Receivable, Net	165,816
Litigation Receivable	0
Loans Receivable, current portion	23,430
Employee Advances	700
Prepaid Expenses	0
Total Current Assets	<u>199,211</u>
PROPERTY AND EQUIPMENT	
Furniture and Office Equipment	47,656
Less Accumulated Depreciation	<u>(33,060)</u>
Net Property and Equipment	<u>14,596</u>
OTHER ASSETS	
Restricted Cash	46,649
Loans Receivable	12,403
Deposits	<u>2,975</u>
TOTAL ASSETS	<u>\$ 275,834</u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable	\$ 122,815
Accrued Salaries	130,560
Litigation Accrual	0
Accrued Payroll Taxes	8,870
Deferred Revenue	15,700
Current Portion of Long-term Debt	<u>5,702</u>
Total Current Liabilities	<u>291,584</u>
LONG TERM DEBT, NET	
Total Liabilities	<u>298,336</u>
NET DEFICIT, Unrestricted	<u>(22,502)</u>
TOTAL LIABILITIES & NET DEFICIT	<u>\$ 275,834</u>

Statement of Activities

SUPPORT AND REVENUE	
Grants and Contracts	\$ 966,224
General Contributions	171,733
United Way Contributions	4,391
Convention Revenue	65,481
Litigation Settlement Income	3,731
Interest Income	336
Net Assets Reclassified from Restrictions	0
Total Support and Revenue	<u>1,211,896</u>
EXPENSES	
Program Services	
State and Local Program	1,245,157
Supporting Services	
Management and General	36,142
Fundraising	<u>115</u>
Total Expenses	<u>1,281,414</u>
DECREASE UNRESTRICTED NET ASSETS	(69,518)
NET ASSETS RECLASSIFIED	<u>0</u>
DECREASE IN NET ASSETS	(69,518)
NET ASSETS, Beginning of Year	<u>47,016</u>
NET DEFICIT, End of Year	<u>\$ (22,502)</u>

² See notes accompanying financial statement at end of the Annual Report. See box at right for instructions on how to get full copy of audit by Robert Ben-Kori, CPA.

Oxford House, Inc.
FY 2004 Expenses
By Category and Function

Expense Item	State/Local House Program	Management And General	Total Expenses
Payroll	\$610,198	15,605	625,803
Payroll Taxes	107,681	4,114	111,795
Fringe Benefits	<u>40,788</u>	<u>1,262</u>	<u>42,050</u>
Total Personnel	758,667	20,981	779,050
Travel and Lodging	184,445	4,311	188,756
Convention Expense	97,783		97,783
Telephone/Facsimile	69,052	3,373	72,425
Rent	50,883	1,429	52,312
Professional Fees	12,923	3,345	16,268
Postage and Courier	15,021	422	15,433
Office Supplies	12,305	211	12,516
Depreciation	8,165	229	8,394
Insurance	7,051	198	7,249
Taxes and Licenses	5,678	1,192	6,870
Mtgs and Conferences	4,965		4,965
Payroll Services	3,803	107	3,910
Equipment Rental	3,679	180	3,859
Repairs& Maintenance	2,590	73	2,663
Interest Expense	2,478	70	2,548
Outreach Program	1,519		1,519
Printing/Publications	1,368	31	1,399
Bank Charges	1,362	27	1,389
Dues and Subscriptions	970	23	993
Miscellaneous	450	55	505
Total Expenses	<u>\$ 1,245,157</u>	<u>\$ 36,257</u>	<u>\$ 1,281,414³</u>

Individual Oxford Houses followed through on a resolution at the 1999 Oxford House World Convention to make voluntary contributions to Oxford House World Services for the purpose of defraying expansion and service expenses. During FY 2004 houses contributed over \$100,000.

The 2001 World Convention passed a resolution to earmark all house contributions in excess of \$200,000 a year for a national revolving loan fund to help start new Oxford Houses. Contributions from houses were about \$ 96,000 for FY 2004.

A full copy of the Oxford House, Inc. audit and IRS form 990 is available from Oxford House World Services. Telephone 301-587-2916 or e-mail Info@oxfordhouse.org to receive a copy of the audit.

³ Include \$115 for fundraising and added to Management and General column.

Oxford House™ – Remembering 2003

Recovery • Responsibility • Replication



Jerry Cole, a friend of Oxford House from Connecticut, is presented the Reggie Midget Award at the Friday night reception on Capitol Hill in the Rayburn House Office Building.



Above right delegates checking in at the Hotel to begin a four-day convention designed to have fun, enjoy sobriety and to strengthen the resolve to make Oxford House available to every recovering individual to have an opportunity to recover without relapse.



The Omni-Shoreham is pictured at the left.

Recovery

Responsibility

Replication

Washington
Convention 2003

And

Convention 2004

A San Antonio International Feast



Back to Basics

Oxford House™

29th Anniversary

“Helping Each Other to Comfortable Sobriety Without Relapse”