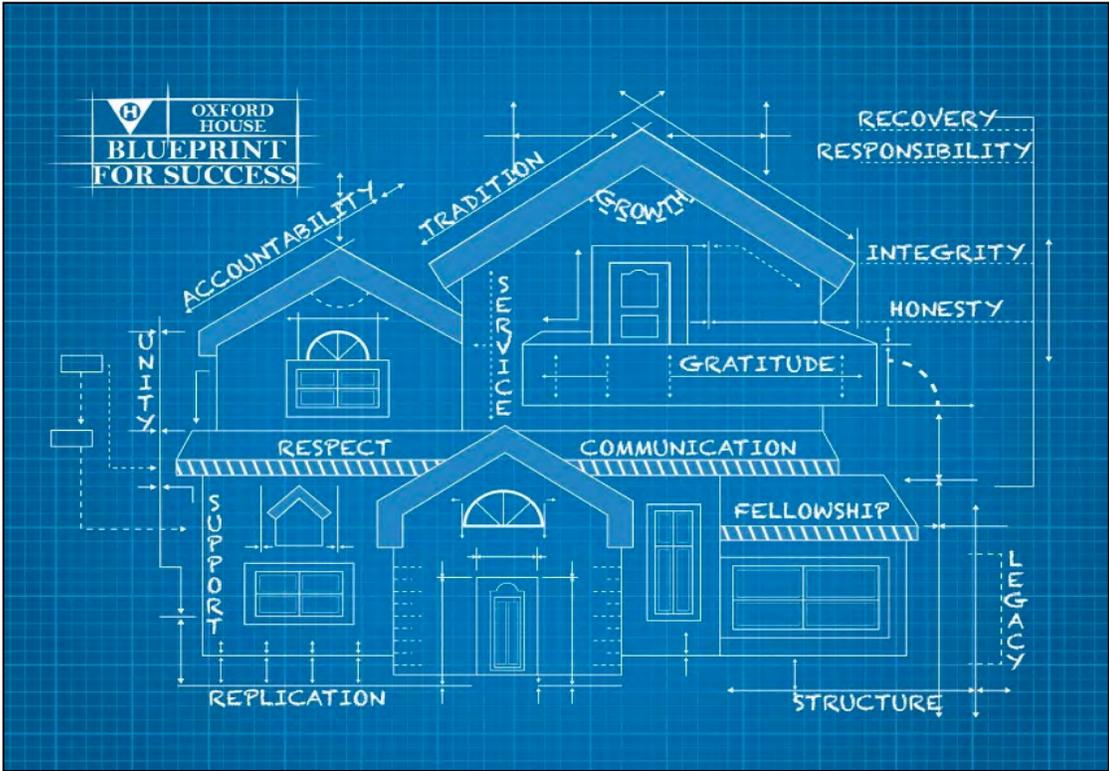


Oxford House, Inc.
Annual Report
Fiscal Year 2016

Oxford HouseTM
The Blueprint for Success



Oxford House, Inc.
1010 Wayne Avenue, Suite 300
Silver Spring, Maryland 20910

www.oxfordhouse.org

About Oxford House, Inc.

Oxford House, Inc. [OHI] is the Delaware nonprofit, 501(c)(3) corporation that serves as the umbrella organization of the worldwide network of more than 2,100 individual Oxford Houses. Its central office is at 1010 Wayne Avenue, Suite 300, 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 recovery 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 program can be developed on a national scale at very low cost.

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; there are no co-ed houses. The average number of residents per house nationally is about 8 with a range per house of 6 to 16.

Oxford Houses work because they: (1) have no time limit for how long a resident can live in an Oxford House; (2) follow a democratic system of operation; (3) utilize self-support to pay all the household expenses; and (4) adhere 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 and responsible behavior. Slowly but surely, they develop long-term behavior to assure comfortable sobriety – forever. Some individuals live in Oxford Houses a few months; others for many years. By using participatory democracy and self-support, alcoholics, drug addicts and those with co-occurring mental illness develop long-term recovery.

After 42 years of steady growth and successful recovery outcomes, Oxford House™ has been proven to work. It is also a very cost-effective way to support long-term recovery from alcoholism, drug addiction and co-occurring mental illness. At the end of 2016, there were over 2,100 Oxford Houses with more than 16,000 beds throughout the country.

Oxford House is listed as a best practice on the National Registry of Evidence-based Programs and Practices [NREPP] and is singled out as an effective tool for long-term recovery in the recent U.S. Surgeon General's report: "Facing Addiction in America: The Surgeon General's Report on Alcohol, Drugs, and Health, 2016."

Silver Spring, Maryland
January 30, 2017

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CONVENTION 2017 Washington, DC August 31 – September 3, 2017



Oxford House™



Oxford House – Elm Avenue
Lindenwold, NJ

Oxford House – Elm Avenue, at the left, is a house for 8 men was established in Lindenwold, NJ August 1, 1995. Now in its 22nd year, it has served 370 individuals since it started. Of those about 70 individuals have been asked to leave because of relapse [19%]. However, 300 have stayed clean and sober while living in the house – an average 8 months – and based on the DePaul University studies of relapse more than 80% of the men have achieved long-term sobriety. The need for many more such houses is great.

It is a typical single-family detached house and like all Oxford Houses is rented and supported by residents.

Creating an Effective National Recovery Network One House at a Time

National Oxford House™ Resident Profile

Number of Women's Houses:	606	No. of Women Residents:	4,670
Number of Houses For Men:	1,521	No. of Men Residents:	12,163
National Network of Houses:	2,127	Total Number of Residents:	16,833
Number of States with Houses:	42	Towns/Cities with Houses:	482
Average Weekly Cost/ Person:	\$119	Rent Per Group Per Month	\$1,420
Percent Veterans	17%	Average Age	36.2 yrs.
Residents Working 9/15/16:	92%	Average Monthly Earnings:	\$1,895
Percent Addicted To Drugs and Alcohol:	74%	Percent Addicted to Only Alcohol:	26%
Race --		Marital Status --	
White;	58%	Never Married	45%
Black;	38%	Separated	18%
Other	4%	Divorced	33%
		Married	4%
Prior Homelessness:	63%	Average Time Homeless:	6 Mos.
Prior Jail:	78%	Average Jail Time: Median	12 Mos. 6.3 Mos.
Average AA or NA Meetings Per Week:	4.6	Percent Going To Counseling and AA or NA:	35%
Average Length of Sobriety of House Residents:	12.5 Mos.	Residents Expelled Because of Relapse:	17.5%
Average Length of Stay In An Oxford House:	9.1 Mos.	Average No. of Applicants For Each Vacant Bed:	4.3

Data are as of September 30, 2016 based on standard OHI survey and house reports but house and bed count as of December 30, 2016.

Oxford House 2017 World Convention: Washington, DC

August 31 – September 3, 2017

Oxford House National Highlights

- **16,833 – Number of Oxford recovery beds**
- **2,127 – Number of Oxford Houses as of December 2016**
- **42 – Number of states having Oxford House**
- **482 – Number of towns or cities having Oxford Houses**
- **\$1,895 – Average monthly income of residents**
- **17% – Veterans**
- **\$119 – Average weekly share of expenses paid by Oxford residents (Range \$85/week to \$185/week)**
- **63% – Oxford House residents who had been homeless**
- **74% – Addicted to drugs in addition of alcohol**
- **78% – Done jail time connected to addiction**
- **14% – Drug court or parole officer referrals**
- **12.5 – Average months of sobriety**

MANAGEMENT REPORT

FY 2016 was another successful year for Oxford House, Inc. (OHI). Over the course of the year, the number of Oxford Houses (and recovery beds) continued to rise, quality control remained high, and finances remained stable. The main focus was on expanding the program to provide more opportunities for individuals recovering from alcoholism and drug addiction to achieve long-term sobriety without relapse and become fully integrated into the broader society.

Expansion

Led by Paul Molloy, CEO and Kathleen Gibson, COO, the organization added 1,845 new recovery beds as OHI chartered 228 new Oxford Houses – 76 for women and 152 for men. At the end of calendar year 2016, the Oxford House network consisted of a total of 2,127 individual Oxford Houses with a combined total of 16,833 recovery beds. Demand for Oxford House residency remained high and, on average, there were more than four applicants for each vacancy that arose during the year. Expansion was particularly strong in states and localities that supported the creation of new Oxford Houses through the provision of start-up loan funds and grants to permit OHI to send trained outreach workers to start houses and assist with quality control. Once started, all Oxford Houses are self-run and self-supported in accordance with their charter conditions. OHI expenses related to overhead are minimal. Only 4¢ of each dollar is spent by OHI on overhead/administrative expenses.



In FY 2016, OHI had development contracts with twenty states as well as with some treatment providers, localities and drug courts. OHI provides some support for the creation of new houses in other places by using private grants and voluntary contributions – including contributions from Oxford House residents – to provide limited loan fund and outreach worker support. On a voluntary basis, many individual Oxford Houses and chapters contribute to OHI. In FY 2016, individual Oxford Houses and chapters contributed a total of \$480,425 in voluntary contributions toward OHI’s total expenditures of \$6,875,627.

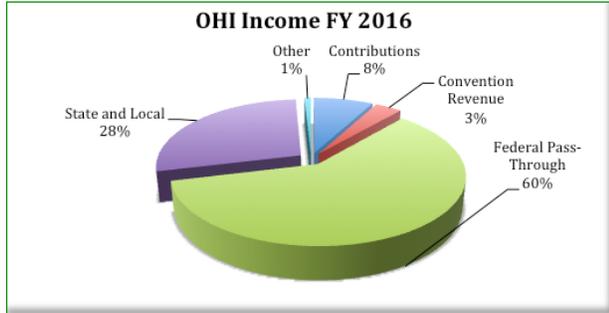
Once a cluster of houses is developed in an area, it becomes easier to expand because the existing Oxford Houses and chapters are able to find new houses to rent and to carry on development with minimal support from OHI. Once providers and state officials see the effectiveness of Oxford House™ development, experience has shown they are generally eager to expand the network of houses. The 228 new Oxford Houses added in 2016 are but one indication of the growing realization that Oxford House™ is an important resource for long-term recovery.

OHI uses a number of time-tested protocols to establish and maintain the network of individual Oxford Houses. Clusters of houses are encouraged to form mutually-supportive chapters to facilitate networking between houses and to help monitor charter compliance. In a similar way, chapters group together to form mutually-supportive statewide associations. Training materials and standardized operating procedures are provided to all chartered houses, chapters and state associations. The central OHI office in Silver Spring, Maryland also trains and supervises field workers to do outreach to states and communities throughout the United States and in some foreign countries.

Financial Results

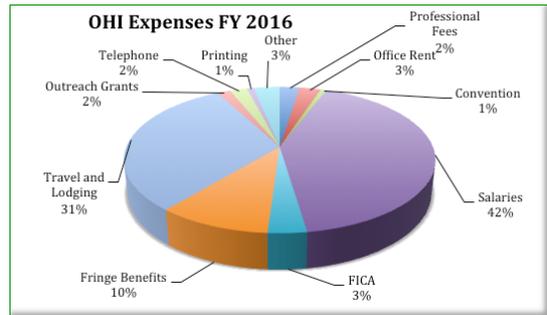
OHI finances remained stable in FY 2016 and OHI continued to support the expansion and maintenance of the network of Oxford Houses in an extremely cost-effective manner. Expenditures by OHI in FY 2016 were \$196,069 less than income.

Total income in FY 2016 was \$6,875,627. Income sources are shown in the chart at the left.



Federal Awards are almost entirely state block grant funds used by various states to pay for development and maintenance of existing networks of Oxford Houses. *State and Local Awards* are agreements that do not include federal block grant or pass-through federal funding. Contributions of \$540,541 include \$480,425 voluntarily made by about 23% of the individual Oxford Houses either directly or through the mutually-supportive chapters.

OHI's expenditures for FY 2016 totaled \$6,679,558. The expenditures are shown in the chart at the right. Of every dollar spent, 96¢ goes directly to program costs – that is, expanding and maintaining the network of Oxford Houses. Travel, telephone and personnel costs account for nearly 86% of costs. Outreach grants include expenses for covering the equal share of household expenses for part time employees to help train residents in newly-established Oxford Houses. In 2016, OHI outreach workers operated in 34 states and Ghana. Oxford Houses are located in 42 states, DC, and five countries.

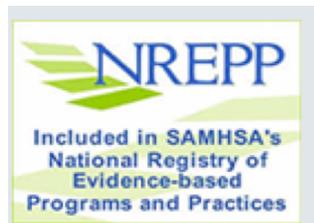


A copy of the audited financials and notes to financials is included at the end of this report.

Transparency and Research

OHI conducts internal surveys and continues to invite independent third-party research. Since 1991, both NIAAA and NIDA have devoted federal behavioral research dollars to studying the Oxford House program and its effect on developing long-term recovery. DePaul University has been a major recipient of such grants. The DePaul studies alone have produced more than 175 articles showing how Oxford House living relates to recovery. From the DePaul research, Oxford Houses have been able to affirm that they are on the right track. Internal surveys are used to understand more about the residents of Oxford Houses and the maintenance of their sobriety.

Proven Effectiveness of Oxford House Program



Since 2011, the federal government (SAMHSA) has listed the Oxford House program as a best practice on the National Registry of Evidence-based Programs and Practices [NREPP]. While the 1988 Anti-Drug Abuse Act [PL 100-690] represented political acceptance of Oxford House, the NREPP listing verified the soundness of the Oxford House model as an evidence-based program that significantly improves treatment outcomes for alcoholics, drug addicts and those with co-occurring mental illness.

Litigation

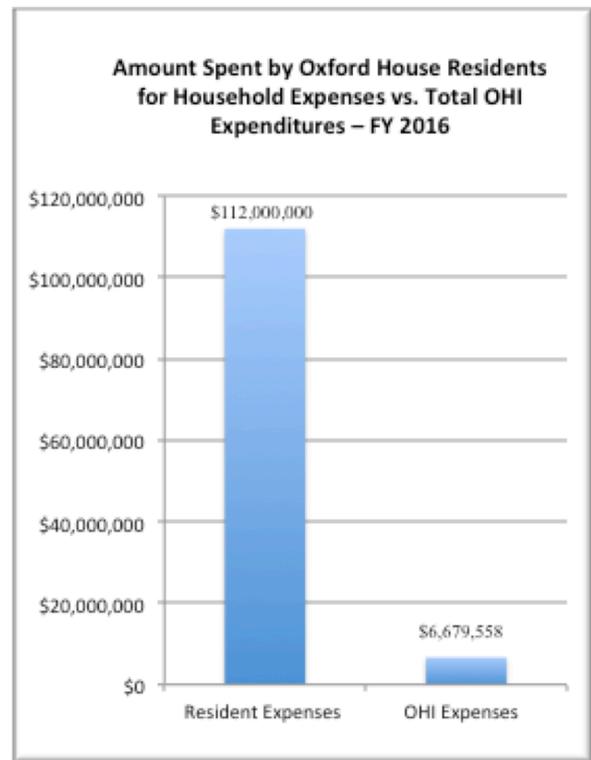
Establishment and maintenance of an adequate network of recovery homes sometimes requires legal actions under the Federal Fair Housing Act and the Americans with Disabilities Act to protect the civil rights of residents. It has now been twenty years since the U. S. Supreme Court found in favor of Oxford House™ in the landmark case, *City of Edmonds, WA v. Oxford House, Inc. 514 US 1776 [1995]*. Nevertheless, local jurisdictions and insurance companies continue to test the limits of the law. In 2014, OHI was actively engaged in fifteen cases to protect the legal right of recovering individuals to live together in order to increase their opportunity for long-term recovery. Fortunately, OHI's attorneys' fees and court costs were minimal.

Since expansion of Oxford House began in 1989, OHI has defended the rights of recovering individuals to live in good neighborhoods just like ordinary families. Such individuals are protected from discrimination under the 1988 Amendments to the Federal Fair Housing Act and the Americans with Disabilities Act. OHI has been a leader in defining the extent and scope of those rights by vigorously defending civil rights. It shall continue to do so because it is important not to let the hard-fought rights obtained in the past be eroded by indifference to discrimination.

FY 2017 Focus

In FY 2017, OHI will continue to expand the network of Oxford Houses to provide more opportunities for individuals seeking long-term recovery without relapse to achieve it with Oxford House living. OHI will also promote the fact that Oxford House provides a good model for how limited government incentives can produce profound results. Because long-term recovery without relapse is a hallmark of Oxford House living, creating more Oxford Houses will make it possible to slow down the recycling of individuals in and out of primary treatment or incarceration.

Oxford House will continue to foster the belief that relapse should not be the expected outcome following treatment for alcoholism and drug addiction. We do so by encouraging further research about recovery and continuing to expand the network of Oxford Houses. This path is needed because only about 1.7 million [6%] of those needing primary treatment get it. Even many of those who get treatment are repeat consumers. TEDS data shows that 60% of those in treatment have had 3 or more prior treatment episodes and 15% have had five or more prior treatment episodes. Making recovery without relapse the norm can have a huge positive result. The creation of more Oxford Houses can make that outcome a reality.

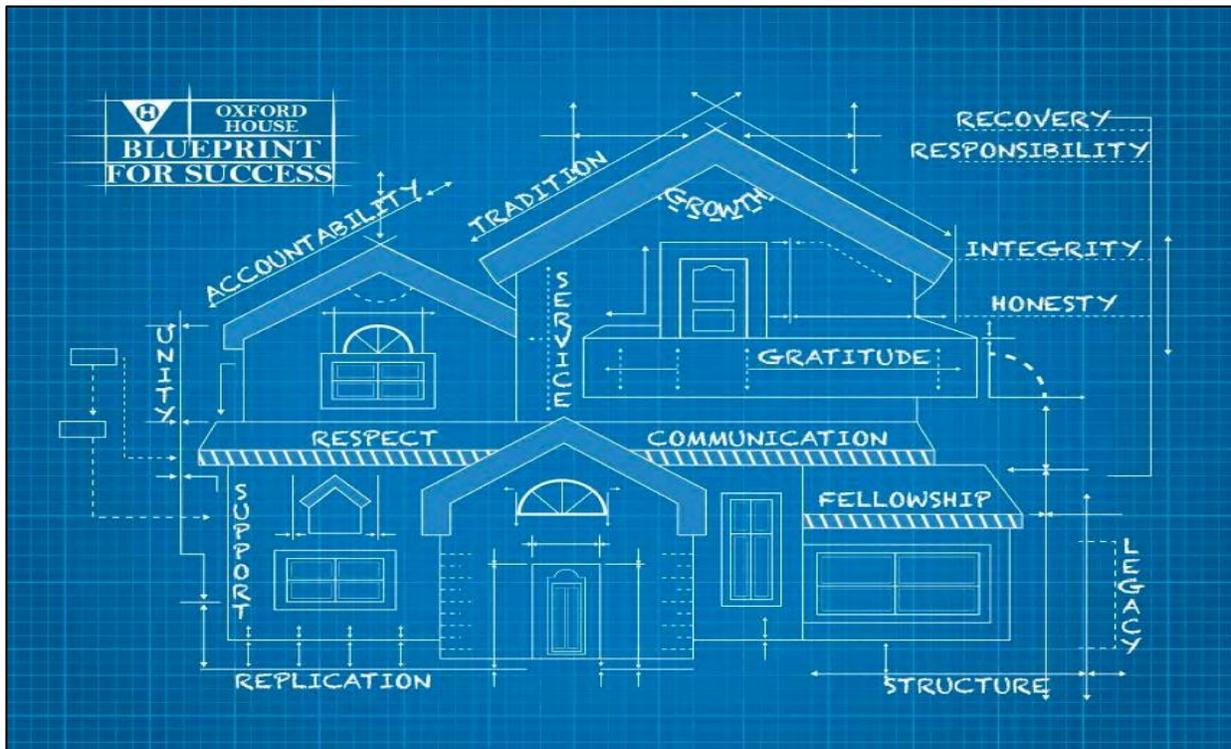


(For every \$1 spent by OHI, residents spent \$16)

The next annual Oxford House World Convention will be held in Washington, D. C. over Labor Day Weekend, August 31 – September 3, 2017. This annual gathering grows each year and provides an opportunity for hundreds of Oxford House residents and alumni to join together in workshops, general sessions and social events. All participants of the convention are able to renew their individual dedication to long-term recovery.

THE BLUEPRINT FOR SUCCESS

“Oxford House – The Blueprint for Success” was the theme of the 2016 Oxford House World Convention. The blueprint graphic (shown below and on the cover of this report) details the various attributes associated with living in an Oxford House. It illustrates the goals and values that are part of each Oxford House and that the residents emphasize in their day-to-day dealings. These goals and values are the foundation of the family environment created in each Oxford House. Not all of the values identified in the blueprint are easy to come by but the structure of Oxford Houses makes them an integral part of Oxford House living.



The Oxford House Manual[®] lays out the disciplined system of operations and the House charter defines the basic requirements for the group. Charter conditions require that the residents: [1] democratically run the house following the time-tested procedures and processes; [2] pay all the bills on time; and [3] expel any resident who returns to using alcohol or illicit drugs.

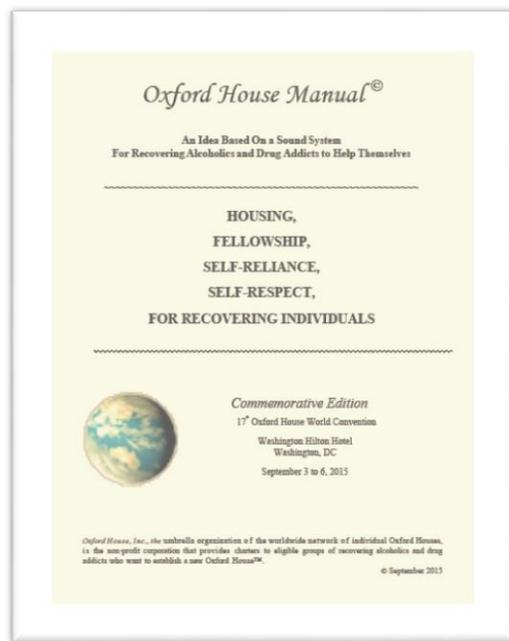
The Oxford House Manual[®] is substantially the same as it was first written in 1975. The manual explains how the charter conditions work and provides helpful information to Houses on conducting meetings and running the House. Time has demonstrated that the Manual works well to keep the community together and focused on its goal of developing behavior to assure long-term recovery.

The residents of the House all have a role to play in the governance of the Oxford House. They each pay an equal share of the household expenses and they each have an equal vote on House decisions, including deciding which applicants should be accepted to fill residency vacancies. There are weekly house meetings and officers are elected from among the residents. To ensure that no one becomes a ‘big boss’, no one can hold the same office for more than six months at a time. Residents also immediately expel any resident who relapses.

The reliance on residents to govern themselves tends to enable them to develop new skills, new leadership ability and new confidence in themselves. They get jobs, socialize with each other and develop the skills to give back to society as responsible, sober citizens. They accept their responsibilities; they recognize that continued sobriety is a choice and that living in Oxford House provides the tools for making the right choice. In the process, they also embrace the attributes found in the blueprint.

The fact that there is no time limit on residency means that no one feels pressure to move out on a date certain. Unlike programs that limit residency to 28 days, 90 days or some other limit, residents in an Oxford House can stay as long as they want so long as they abide by the basic House rules. Some people can become comfortable in sobriety almost immediately; other people may need many months or even years. Oxford Houses permit residents the luxury of determining for themselves how long they need to stay. This fact alone contributes heavily to the success of Oxford House in fostering recovery without relapse.

Of course, there are checks and balances built into the organization to keep everything on track. When there are enough Oxford Houses within a geographic area, groups of three to twelve houses form a mutually-supportive chapter. Once a month the officers of each house get together in a chapter meeting. When a chapter exceeds 12 or more houses, it subdivides into two chapters to keep the combination from becoming unwieldy. Within a state, chapters usually form a state association to further outreach and mutual support. Most state associations also hold a statewide convention to extend the personal networking and socialization that takes place within the Oxford House organization. All residents and alumni are also encouraged to attend the annual Oxford House convention. At the convention they hear keynote speakers, attend breakout sessions, and elect resident and alumni representatives to the Oxford House World Council, an advisory committee to the Oxford House Board. *(See the pictures of the 2016 convention on Pages 18-23 of this report.)*



Despite the fact that Oxford House residents come from very diverse backgrounds, Oxford House living works for almost all of them. Some residents are highly educated; others are not. Some residents are old; others are young. Some residents have done substantial jail time; others have none. Some residents are veterans; others have never held any legal employment. Some residents are bi-polar or have PTSD; others have physical limitations. All of these individuals do well living in Oxford Houses. Many residents apply to Oxford Houses from treatment centers; others are referred by drug court judges and some residents come straight from prison. In fact, Oxford House has been in the forefront of developing programs that introduce Oxford House to inmates while they are still incarcerated and arrange for them to apply via phone interview. If accepted, House residents pick them up and take them directly to the Oxford House to help them avoid the temptation to return to their old neighborhood. *(See related section on "From Prison to Recovery in Oxford House" in this report.)*

Most Oxford House residents, whoever they are, thrive in Oxford House. By following the Charter conditions and the Oxford House Manual®, they learn the value of living by the characteristics in the blueprint. Most important, most residents get on the path to long-term recovery and don't relapse.

OPIOID ADDICTION AND OXFORD HOUSE

The nation's opioid epidemic is front page news these days but opioid addiction is not new to Oxford House. For many years, Oxford Houses have been home to residents addicted to various opioids and most have achieved long-term recovery.

One of the participants in the 1991 CBS 60 Minutes program on Oxford House had been addicted to heroin for over 21 years. On that show, Andrea Griffin spoke of her heroin addiction and how she had overcome it in Oxford House. She appeared again in 2016 on the Meredith Vieira Show to again talk about Oxford House and the fact of her continued sobriety. (Links to both programs can be found on the home page of the Oxford House web site – www.oxfordhouse.org.) She is still in recovery today.

Today, many Oxford House residents have had experience with opioid addiction. Excerpts from the stories of a couple of Oxford House residents follow. They represent just two of the many Oxford House residents with similar stories. Because of Oxford House, they are in recovery today and likely to remain so.

- Heroin took me to the pits of Hell. I woke up every morning unable to leave the bed without a shot. I was violently, physically ill without it. I lost my job, my car, my home, my dignity, my sanity and so much more. I gave it all up for another fix. I was arrested 6 times, breaking into people's homes, stealing anything I could. I asked God to please just let me die.On August 23, 2015 I woke up on a kitchen floor, a needle still in my arm, with empty dope bags around me. I had burned all my bridges at that point and was homeless, sleeping on someone's couch. I called Port Human Services.I told the therapist everything and we agreed I wouldn't be able to get or stay clean in that environment. I started researching treatment facilities online and came across Oxford House. I did an application by phone with a comforting voice on the other end of the line. I interviewed that week and the girls accepted me. I'd never felt such a sense of compassion and understanding as what those women showed me. ... I started learning the model and was so impressed with it I started telling every addict I knew about Oxford! Today, I'm House president and secretary for our chapter. I have a job, I work the NA program with a sponsor, have a strong spiritual connection, a home where I'm loved, healthy relationships, and so much more. I'm almost one whole year clean and sober. I never could have done this without Oxford House providing me a safe haven full of wonderful people to help me along my journey.
MICHELLE GREEN – North Carolina
- I became addicted to opiates and benzos around 2003. At that time in my life I was a firefighter and EMT who had a grueling job that took a toll on my body. My clean date is November 3, 2015. The last time I went to treatment I didn't go to learn about my disease or to be detoxed the "pleasant way." I had plenty of disease education and been through very nice detox programs. I went with an understanding I had to go to any length to do whatever was suggested to recover. When my time at treatment came to a close it was suggested I go to an Oxford House and the staff felt adamantly that I was a perfect fit for Oxford House. This time, operating on faith, humility, and surrender, I left treatment in the Delta of Mississippi and came to Oxford House Golden Eagle in Hattiesburg, Mississippi I came to my house without: a job, license, paid-off fines, a vehicle, health issues, and the list goes on and on. Today, while I write this: I have a license, vehicle, an amazing job; I've taken care of my health issues, and I graduate from college this month as well. I should say that recovery and Oxford House didn't promise or guarantee me any of these things. It has provided me a safe, accepting, loving, and tolerant place to foster and support me while working on all these goals. I didn't waste any time in getting involved in Oxford House. I have positions within my house, I have been entrusted to serve as the Chapter Chair, and help with many things associated with Oxford House. I get to travel all over and help carry the message of Oxford House with and while meeting new OH family members daily. It is truly a blessing in my life for which I remain eternally grateful. **JASON B. – Mississippi**

While most Oxford House residents don't relapse, some do. Because opioid overdoses can kill quietly and rapidly, Oxford House residents are taught to be aware of and responsive to the possibility of overdose. At the Oxford House convention, a breakout panel discussed the opioid epidemic, including where it's most prevalent, how to recognize overdoses and what actions Oxford House residents should take to respond to a possible overdose by a resident. Narcan (Naloxone) and other antidotes can save the life of an opioid abuser who has overdosed. The panelists (pictured below) included two medical doctors, two members of the Texas Overdose Naloxone Initiative and three Oxford House alumni/outreach workers. They encouraged all House members to learn the signs and what to do in the event of a relapse/overdose. Most Houses keep overdose antidotes on hand.



Today, many medical professionals encourage individuals addicted to opioids to participate in what is known as 'medically-assisted recovery.' This generally consists of providing an opioid substitute such as methadone, suboxone or buprenorphine. While Oxford Houses accept residents who are on these substitute drugs, most residents use such drugs only for a short time, if at all. When a resident is using such substitutes, their behavior and usage is carefully monitored.

Some Oxford House residents who have used substitute drugs such as methadone note that, too often, they either keep the individual from being fully engaged or may be supplemented by other drugs. On an Oxford House convention panel on "*Strategies for Achieving, Maintaining and Measuring Long-term Recovery,*" the panelists briefly discussed medically-assisted recovery. Lori Holtzclaw, one of the panelists, reported that she had been on methadone for years and believed that, for her, it had simply enabled her to stay addicted a long time and that it causes more harm in the long run. She said that all she had to do was tell the clinic that it wasn't working and they would up her dose. That didn't support her recovery. The audience clearly agreed that zero tolerance works best for supporting long-term recovery. The panelists discussed a broad range of issues and it is well worth watching such a robust discussion featuring medical experts and researchers as well as individuals in long-term recovery. (A link to the full panel discussion can be found on the home page of the website at: www.oxfordhouse.org)



The panelists pictured above from left to right are Jackson Longan and Lori Holtzclaw, Oxford House Outreach Workers; CSAT Director Kimberly Johnson; Marty Walker, Oxford House Outreach Worker; former CSAT Director Westley Clark, M.D.; John Majer, Ph.D.; and Stuart Gitlow, M.D.

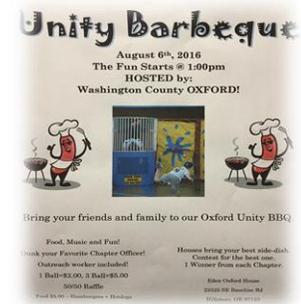
Opioid addiction isn't new. Many Oxford House residents over the years have been addicted to opioids of one type or another (or all). Most of them are now drug-free and have achieved long-term recovery.

HOUSES HELPING HOUSES AND THEIR COMMUNITIES

Each Oxford House is autonomous but Oxford House residents are noted for working together to strengthen not only their own Oxford House but also other Oxford Houses and their local communities. They do this through community events, through direct support after natural disasters or other emergencies, and through financial support to OHI to help to provide technical support to Oxford Houses in states where there is no government support.

Fundraisers and social events. Many Oxford House chapters and state associations sponsor fundraisers to raise money to help send House residents to the annual convention and also to provide support for local communities. These events help communities and also foster socialization and community-building among Oxford House residents in different areas. A few examples from just two states are cited below:

- In Oregon, Oxford House Chapters held a Unity BBQ and Pig Roast and a pancake breakfast to raise money to send Oxford House members to the World Convention. They also had a Halloween dance. In Multnomah County, Oxford Houses donated to 'Friendsgiving', serving food and giving out food and clothing to the homeless. Oregon Houses also provided gifts to those less fortunate at Christmas.
- In Texas, Dallas Oxford Houses hosted their annual 'Thanksgiving in Recovery.' In 2016, over 350 people attended. The leftovers, along with gifts of blankets, socks and coats, were taken to local homeless shelters. Elsewhere in Texas, some Oxford Houses sponsored a volleyball tournament fundraiser. The Corpus Christi Houses sponsored a Beach Unity Day and a car wash fundraiser. San Antonio Houses sponsored a movie fundraiser.



Help for Oxford Houses in need. Oxford Houses also provide help to Oxford Houses that have been affected by flooding, fires and other disasters. For example:

- In August 2016, a storm caused an enormous amount of flooding in the Baton Rouge area of Louisiana. Six Oxford Houses were affected by the flood; four of those houses (two men's houses and two women with children's houses) were completely unlivable. Approximately 25 residents and several small children were displaced and lost everything they owned. Most of the residents were transferred to other houses. In the days following the flood and the receding of the high waters and as clean-up began, Oxford Houses, chapters, and associations from around the country sent enough money to help refurbish and reopen all the houses.
- In June, 2016, a fire destroyed a 16-man Oxford House in Portland, Maine, a state in which Oxford House has no state support and no outreach workers. Oxford House residents from other areas of the country quickly jumped in to provide help for those displaced and OHI sent an outreach worker to Maine to help the residents find another house to rent. They found a new house and it is working well.



Help for Oxford House Expansion. Oxford House expansion has been greatest in the 22 states with government support for expansion; however, Oxford Houses exist in other states also. Expansion and maintenance of Oxford Houses in these other states has depended on contributions from residents of Oxford Houses, foundations and individuals – alone or through government or community charity drives. The largest portion of voluntary contributions received by OHI comes from Oxford Houses and their residents

themselves. These contributions are totally voluntary but House members recognize the need to expand the network and to help OHI do so. Oxford Houses and chapters that contribute at least \$600 a year to OHI are honored with the presentation of a certificate at the annual World Convention. *(See photos and brief discussion of the convention section later in this report.)* These contributions from Houses are totally voluntary yet a significant number of Houses contribute each year – showing their gratitude and their support for expansion.

Oxford House residents work together for long-term recovery – for all the Oxford House family.

IN MEMORIAM Admiral Paul J. Mulloy

Oxford House was saddened to learn of the death of Admiral Paul Mulloy on September 24, 2016. A member of the Oxford House, Inc. Board of Directors, Admiral Mulloy will be long remembered as a passionate supporter of the Oxford House program and all of its residents and alumni. At the October 2016 OHI Board meeting, Board members spoke of their recollections of him and his participation in Oxford House events. The Board unanimously approved a resolution to be sent to the family of Admiral Mulloy praising his many contributions to Oxford House and to recovery generally.

Born in South Boston in 1930, Admiral Mulloy graduated from the U. S. Naval Academy in 1953 and served in the U. S. Navy for 37 years. He was a veteran of the Korean and Vietnam wars. He had a distinguished military record and his numerous medals and awards included three Legions of Merit, two Meritorious Service Medals, the Navy Commendation Medal (with combat V), and numerous foreign decorations. In 2014 he was inducted into the Maritime Patrol and Reconnaissance Hall of Honor.

Admiral Mulloy was cited as the architect of the Navy's war on drugs, a position in which he was credited for drastically reducing illicit drug use in that branch of military service. The Navy program was later adopted by all branches of the armed forces and the federal government. After Admiral Mulloy's distinguished naval career and at the suggestion of President Reagan, he introduced the Navy's anti-drug program domestically and in Europe. He then served in Rhode Island as the state's drug czar.

He leaves his wife of 61 years, Mary Fran Mulloy; six children; 16 grandchildren; and two great-grandchildren. Admiral Mulloy will be interred at Arlington National Cemetery in early 2017.

Admiral, we all miss you. You did a great job – Bravo Zulu!



Admiral Mulloy (right) educating former Drug Czar Barry McCaffrey
2006 Annual Oxford House Convention

FROM PRISON TO RECOVERY IN OXFORD HOUSE

Over three-quarters of the Oxford House population has done some jail or prison time. Many Oxford House residents have served only a few days but other residents have served many years in prison. In America today, approximately 60% of those in jails or prison are addicted to alcohol and/or drugs. Each year, thousands of those who are incarcerated re-enter society. Within one year of re-entry, about half of the individuals will commit another crime and be headed to conviction and re-entry to incarceration.

The experience of those who enter an Oxford House following incarceration is usually long-term recovery and crime-free behavior. In some states, Oxford House has developed relationships with re-entry programs that permit those leaving incarceration to go straight to an Oxford House.

The three Oxford House alumni pictured below spoke on a reentry panel at the 2015 Oxford House convention. Each of them spent time in prison before entering Oxford House. Noe Soriano (below left) spent 8½ years in prison – much of it in solitary – before being released and finding a place in Oxford House. *(His dramatic story can be found on the Oxford House website – www.oxfordhouse.org) on page 36 of the 2015 Convention Program found under ‘About Us/History’.* Steve Polin (center) came into Oxford House following a Federal prison stint for drug dealing. Following his subsequent admission to the Bar, he became Oxford House’s General Counsel and is a leading attorney in civil rights litigation. Kurtis Taylor (right) leads the Oxford House re-entry program in North Carolina.



The Oxford House re-entry program in North Carolina has been highly successful in facilitating the transition of incarcerated individuals from prison to an Oxford House. Funded in part with State funds, the program has enabled 922 individuals to transition directly from incarceration to an Oxford House. Programs have been established at numerous correctional facilities in the state and members of Oxford House’s Criminal Justice Outreach Staff regularly make presentations at correctional facilities to educate individuals about Oxford House. Oxford Houses conduct telephone admission interviews with individuals about to leave incarceration and, if accepted into an Oxford House, they are taken directly to their new residence upon release.

Kurtis Taylor (pictured at far right above) served almost two years in a North Carolina facility. Upon his release in 2004, he expected to go to a homeless shelter but friends took him in and then got him into an Oxford House. In the more than a decade since then, he has served Oxford House in many capacities and currently heads up the Oxford House re-entry program in North Carolina. His experience and expertise have not gone unnoticed and in the past year, he was selected as an advisor to the North Carolina Task

Force on Mental Health and Substance Abuse established to make recommendations that will improve the lives of citizens with mental illness and substance abuse disorders.

The North Carolina re-entry program has been very successful. Of the 922 individuals who have entered the program, only 95 were discharged because of relapse. None were discharged for criminal offences. Of those discharged for relapse, 70 relapsed within three months of residency. That's consistent with other evidence showing that relapse is less likely the longer an individual stays in an Oxford House.

Other states including Louisiana, Oklahoma, Texas, Washington State, Oregon and Hawaii also have strong Oxford House re-entry programs. Many individuals just being released from prison have no place to go except back to their old neighborhoods and friends. More often than not, that kind of transition leads to a return to drug use, crime and incarceration.

Many of the stories written by Oxford House residents recount their prison time and how living in an Oxford House affected their recovery. Frederick S. came into Oxford House via the Louisiana Oxford House re-entry program after three stints in prison. He said that:

The House members held me accountable and gave me a perspective on how life is. I learned better ways to deal with people and problems. They helped me find solutions to problems instead of magnifying them or reverting back to my own ways. I learned not to seek out some escape, and not to fight and put someone down. They taught me how to be a productive member of society. I learned how to live with other people

Jay J., who lives in an Oxford House in Mississippi and also was in prison three times, said:

When I arrived it was unlike any other place I'd experienced but my old behavior was still present; my motto was, I didn't care what anyone else was doing, I just needed to keep my nose on my own face and basically do me.... I learned I could be part of the problem or part of the solution. I chose to try and be a part of the solution because all I've ever known in the past was being part of a problem. Oxford House urged me to jump in, get involved, offer an opinion even if it's not consistent with the correct way and see my flaws and work on them. I've achieved – with grace, a lot of work (hard work, that isn't comfortable most of the time) and the allowance of my imperfections with constructive critiquing of the structure that Oxford House has allowed me – almost sixteen months of sobriety and that's not a small feat for guy who had entirely surrendered to addiction, had prayed for help and felt ignored, prayed for death and felt damned to a lowly existence. Oxford House and its people ... have become my answered prayer, my purpose, my place, my people. And today I am forever indebted and grateful!

Oxford House also works closely with drug courts and many drug court judges encourage clients to seek admission to an Oxford House. In CY 2016, New Jersey Oxford Houses accepted 187 individuals referred by drug courts. Oxford Houses in many other states have also established relationships with drug courts. Oxford House is one of the few sober living environments in the country that truly integrates individuals from all strata of society – rich and poor, educated and uneducated, as well as 'has beens' and 'never weres.'

Oxford House residents who come into an Oxford House from incarceration are exposed to participatory democracy rather than institutional authority. They are elected to leadership positions and undertake shared responsibility for the operation of the house. Most residents rise to the occasion. This kind of real-life training and round-the-clock peer support is rare for most individuals re-entering society.

THE NUTS AND BOLTS OF EXPANSION

While there are currently 2,127 Oxford Houses operating today, many more Oxford Houses are needed. The current opioid epidemic illustrates the growing problem of addiction and the need for more and better recovery resources. Furthermore, as a society, we have begun to recognize that extended incarceration is a very costly and not a very effective way to deal with individuals with alcoholism and drug addiction. More needs to be done to cope with the growing need.

Experience and research have shown that Oxford Houses provide the peer support and time needed by individuals to attain long-term sustainable recovery and that they are fairly easily replicated. Replication of Oxford Houses is not cost-free but it is far cheaper than the costs of incarceration or more traditional fully-staffed housing facilities. All Oxford Houses are self-supporting once established but there are initial start-up costs required for replication. Oxford House, Inc. has found that expansion of the network of Oxford Houses requires the existence of funding for both start-up loans and trained outreach staff.

Start-up loans of \$4,000–\$6,000 are used to cover the first month’s rent, security deposit and basic house furnishings and are repaid by the House residents monthly over 24 months. Outreach workers teach residents the disciplined system of self-operation and self-support. The outreach workers also help clusters of houses to organize chapters for mutual support and quality control. Experience has shown that both start-up loans and technical assistance are needed to develop strong statewide networks.

The box at the right shows typical development costs. Once a house has been established, the group living in the House pays all household expenses. Each house not only becomes self-supporting but also repays the original start-up loan. Repayment into the loan fund enables more homes to be started. The system of operation and the organization of mutually supportive chapters assure quality control.

Sample Development Costs	
6 Recovery Homes	
Revolving Start-Up Loan Fund @ \$6,000:	\$ 36,000
Two Trained and Supervised Field Workers	\$ 160,000
10% G&A [overhead]	<u>\$ 16,000</u>
TOTAL	\$ 212,000
24 Recovery Homes	
Revolving Start-Up Loan Fund @ \$6,000:	\$ 144,000
Eight Trained and Supervised Field Workers	\$ 640,000
10% G&A [overhead]	<u>\$ 64,000</u>
TOTAL	\$ 848,000
100 Recovery Homes	
Revolving Start-Up Loan Fund @ \$6,000:	\$ 600,000
Thirty Trained and Supervised Field Workers	\$2,400,000
10% G&A [overhead]	<u>\$ 240,000</u>
TOTAL	\$ 3,240,000

In 1998 Congress included §2036 in the 1988 Anti-Drug Abuse Act [PL 100-690] to encourage states to develop self-run, self-supported recovery homes. That provision has been a significant factor in promoting expansion of Oxford Houses. At the time of passage, there were only 18 Oxford Houses in existence; currently there are 2,127 Oxford Houses.

Key State	Number Houses	Recovery Beds
Washington	254	2,111
North Carolina	228	1,759
Oregon	170	1,361
Texas	197	1,507
New Jersey	140	1,128
Virginia	132	1,076
Louisiana	106	784
Oklahoma	98	868
Delaware	65	513

Oxford House, Inc. [OHI] has worked with interested states to develop statewide networks of Oxford Houses, with some states providing more support than others. OHI has developed a very efficient system for expansion and development and currently has development contracts with twenty states. At the end of 2016, there were 2,127 houses in 42 states; over half of the Houses [1,390] and recovery beds [11,107] are located in nine of the states that provide state funding to support replication. Oxford House is most heavily concentrated in nine states. [See table at left.] Such development is available to any state; funding support is necessary. As noted above, the one-time costs to start a new Oxford House are not great but the rewards are many for those who get the opportunity to live in the new Oxford House.

THE OXFORD HOUSE™ FAMILY

The statistical profile of Oxford House residents shows a demographic picture of the Oxford House family but it doesn't capture the people themselves. Since its inception, over 370,000 people have lived in Oxford Houses. Many residents and alumni have written their personal stories of addiction and subsequent recovery. These stories go well beyond the statistics and illuminate what Oxford House means to its residents and alumni. Below are excerpts from a few of the stories that were published in the 2016 Oxford House Convention Program. The full versions can be found on the Oxford House website (www.oxfordhouse.org).

- On June 4, 1992, I was living in a shelter in Washington DC. I was brutally assaulted outside this shelter; beaten with a piece of steel rebar. I was loaded into a body bag and left for dead. On my way to the DC morgue, I woke up kicking and screaming. The attendant opened the bag and said, "If you don't have a God of your understanding, you need to find one now."... I have lived in and volunteered for Oxford House for years. Oxford House has helped me to live a clean and sober life. I practice the principles in my everyday life. I will always be there for Oxford House for they helped me in my recovery process to be a better man, father, grandfather, and human being. I now sponsor two of the young men who were responsible for the assault in 1992. Because of the program and Oxford House, I've learned to give back so freely that which was given to me.

Antoine Draughn – District of Columbia

- I found recovery in prison. When I was released, it had been more than 10 years since I had used and I assumed I was good to go. I quickly realized that, although I had not used, and was not using, I was overwhelmed by life. I had not acquired the basic living skills I needed to survive I remembered a time, some 15 years earlier, when I had tried recovery and found the Oxford House. That time had been the one time in my life that, while I knew I was not in control, I had made good decisions and had peace of mind. I did not follow all their suggestions and left early, relapsed, committed crimes, and went to prison. I again reached out to Oxford House and by the grace of God, they welcomed me in. Oxford House, for me, has meant the ability to learn life skills, to develop healthy friendships, to finally realize I am not alone, and that people really do care about one another. It has been my lifeline in recovery and freedom.

Patrick - Kentucky

- I was in active addiction for 20 years. I battled back and forth with all kinds of drugs and alcohol and thought I was functioning until the age of 35. At that time I was homeless and had no vehicle and was living in a city I knew nothing about. I had been in an out of treatment centers, jail, and organized religion in the past. I wanted something different this time: Real help! I went to a dual diagnosis facility and, while I was there, my parents who had bailed me out time and time again actually told me, "NO!" It was the best thing they ever did for me. They said, "We love you but you can't come home!" My niece was in an Oxford House at the time and my sister told me about it. Before I left treatment, I called for an interview and was accepted.... The Oxford House literally saved my life. I've been to state and world conventions, helped with fundraising, and helped houses in need. The most rewarding part is just being able to help the one yet to come!

Amanda G. – North Carolina

- I have been in Oxford for over 5 years. I have held every position in my house at some point, and nearly every position in my chapter. Oxford was able to give me my life back and then some.When I first came to Oxford I had been released from a 2-year-long stint in prison. I had heard about Oxford and knew what it was like, but my first couple of months in Oxford took some adjusting for me. As I started to get confident talking to people, I began to make connections. I started taking a larger part in my Oxford family ... If someone had told me when I first entered Oxford that I would be Chair of the State Association of Washington State, I probably would have hightailed it out of there and not looked back. But that's the power of growth: it'll get you to some amazing places if you just let it happen. Oxford has been my whole life for the last several years. I have put a lot of effort into it and I have reaped the rewards. ..The best decision of my life was getting into Oxford and I owe my success to the people I've met and the lessons I've learned in Oxford.

Eric Michaelson – Washington State

- When I first arrived at the Oxford House almost a month after checking in to detox, I was nervous but willing and determined to do exactly what I was told.... The expectations were few and practical – contribute/participate, be fiscally responsible, work my recovery. And so I did. In relatively short time, I became active in the recovery community, my fellowship, and with Oxford House. I was elected president of my house, then fundraising chair for our chapter, and then vice chair for the state. I felt responsible and capable again for the first time in many years. At first, that was only because other people believed in me and were willing to take a chance on me. But soon I believed in me too! I had new purpose and decided to dedicate myself to doing service work with other addicts. I checked into detox as a lonely, broken, and suffering junkie, a thief, a felon, a prostitute, a failure. Today, I have many friends, I strive to live a healthy, loving, purposeful, and spiritual life, I am honest, I am grateful, I am happy...and I am free.

Julie P. – South Carolina

- I did not want to move into Oxford House ... but I didn't have anywhere else to go. The first house I interviewed with did not accept me and I was crushed. However ... I was accepted at the Baton Rouge House and there began my journey with Oxford. ... I came into Oxford thinking it was a place to live for a short while, but I was mistaken. It is a place to grow, to meet others who have similar stories but come from diverse backgrounds. In order to have the true "Oxford experience." one cannot simply reside in an Oxford House. To get the most out of Oxford, you have to participate, but the return on your investment of time and service far outweighs what you put in. ...If I can make it to October 30, I will have 4 years clean and sober, something I am not sure I could have done without the help of Oxford and the people I have met while being a resident. **Jonathan (Bob) L. – Louisiana**

- Upon completing long-term treatment, I knew I was not ready to be on my own completely. I needed to change my people, places and things and continue working on my recovery, plus have a fresh start transitioning back into society. Oxford House has filled that need. I am indebted to Oxford House people for what they have done for me. My house members held me accountable in my recovery and Oxford House has given me the opportunity to grow in recovery and as a person. Today, I am involved with Oxford House service work and was elected Chair of my Chapter. I have been in Oxford House over five months and have over eight months in recovery. Thank you, Oxford House, for the opportunity to serve and help me live my life again!!! **Bob G. – Mississippi**

- I have not had a drink or a drug since March 21, 2015. ... On May 14, 2016, the day of my 58th birthday, I graduated Magna Cum Laude with Latin honors and distinction from the University of Colorado with my bachelor's degree in communications. I have been accepted into the social sciences graduate school. ...I have come to know a new freedom and my life as an Oxford House resident is being filled with meaning, purpose and direction. I envision what it may be like one day to have a little house of my own again, but for now, even though I am almost sixty years old, I thrive in the structure that is Oxford House. It comforts me to know that there are other women in the house, all working towards achieving quality sobriety.



Mary P. Ozanic – Colorado

- Being in Oxford House Beaumont is preparing me to live life on life's terms. At the age of 45, this year has been better than I thought. Especially being part of the Oxford House family. I am being taught things I didn't have to deal with or took for granted like paying bills, having a safe living environment, being a positive role model for my children, becoming a responsible law-abiding citizen with accountability. ... Every time I got out of a jail or prison, or any type of substance abuse treatment facility, I went right back to using. ...When I completed another attempt at treatment, I put in for Oxford House for Women with Children and so far my success has made a tremendous impact on myself and my child. My recovery is right where it needs to be. I haven't had a job in nine years, now I do. My son told me he was so glad we are here. His smile is worth everything I put in so far. I owe that to the program Thank you, Oxford House! **Faith W. – North Carolina**

- In 2007, I was ready to get a gun and put it in my mouth and pull the trigger. God intervened. My buddy arranged a bed for me at the Oakland Salvation Army. I fought going back but I eventually checked in to the Salvation Army on February 12, 2007. I graduated and went back to Oregon and a friend of mine who I had been running and gunning with was living in an Oxford House. I had never heard of Oxford House before. I started hanging out at the Umpqua Valley Oxford House and it didn't take long before I realized that I desperately needed to be in that house. I told the guys that when they had a vacancy I wanted to interview. They called me 2 weeks later and said. "Hey, we just voted you in. When can you be here?" I said, "You didn't even interview me" and they said, "We have been interviewing you for months." I moved into that Oxford House in January of 2008 and became part of the Oxford Family. I just remember how welcome those guys made me feel. Guys who didn't know me were willing to go out of their way to make sure I was comfortable. This Oxford family has walked through the good and the bad with me and I am eternally grateful for the lifelong friendships I have made in the Oxford House community. **Gene McVae – Oregon**



- In August, 2013, I moved into a beautiful Oxford House for women. I stayed for only a short time. I had a bad attitude and I was not able to get along with my roommates. I was expelled for disruptive behavior. I didn't use and I moved to another house ..., but I was expelled again for disruptive behavior. When was I going to get this? I contacted my Outreach Worker, Debbie Robinson. She talked it over with me and guided me to another house, Pentagon Oxford House, which is still my home. Debbie advised me that she was running out of houses to send me to and this was the last stop before Hell. I got it. My journey in Oxford has been amazing. I serve my Chapter as the chapter Chair. I've served in this position for one year. I'm also the Virginia State Convention Committee Chairperson. I have been accepted as a member of the Oxford House Family. **Stephanie S. – Virginia**

- Before I came to Oxford living. I was a hopeless, homeless young man in heavy addiction. I didn't have anything except a duffle bag full of clothes and no one really by my side. I went into a treatment facility and some people came in to speak about Oxford. At first I wasn't interested but I made the decision to do it. And I am forever grateful that I did! It has just given me hope and a new way of living to be a productive member of society. I love Oxford; it's helped me to stay sober since October 31, 2014. **Andrew Jermann – Washington State**

- At the end of my drinking, I was stealing to get my next drink. After going in and out of treatment centers, I finally got sick and tired of my life. So I went to treatment and moved into an Oxford House and they helped me to grow. I got my life back and learned how to live life on life terms. I got involved in the house and at chapter level. That's what helps me stay sober today. I have been sober since May 16, 2013 and live in Whipple Oxford House, Spokane Valley, Washington. And I love it, love it. I get to go to treatment centers and tell others how great Oxford House is. I get to go to state meetings, campouts, and the Oxford House world convention. It's been a great experience and it still is every day. **Bryant R. – Washington State**



- When my release from rehab was getting close, I was scared. I didn't know where I was going but I knew I couldn't go back to Morgan City. That's when Oxford House came to do a presentation. I knew from that moment I was going to go there. I didn't care which one but I had to go. I was accepted into Oxford in August 2015; it was amazing. I stayed in Oxford for a year; worked a program and learned how to be responsible – something I never imagined I could do. I became very involved on a house, chapter and state level. I gained so much knowledge. I just became an alumni **Summar C. – Louisiana**

- I am fast approaching 7 years sobriety, thanks to the guys who accepted me into the Orchard Heights Oxford House in Vancouver, Washington six and a half years ago. I had nothing but a promise of some short-term funding; I was staying at a shelter, and had recently relapsed out of treatment. I wanted to stay sober, and stayed in contact with my friend from treatment who was in an Oxford House. I cannot say it's been an easy road,; there have been struggles but with the support of my buddy from treatment (who now lives here at Orchard Heights as well!) and meetings, and a GREAT group of guys here (we are like a family and have very little relapse), I can honestly say, I am a miracle! I think I just might make 7 years! ☺ **Johny – Washington State**

- On May 16, 2016, I was accepted and moved into an Oxford House. After moving in, the house elected me as their President, and I was recently voted in as our chapter's Chairman. I enjoy encouraging others, going to visit other Oxford Houses, talking to fellow Oxford members, and sharing my experience, strength, and hope. Because of my Higher Power and the Oxford House way, God has taken a hopeless dope fiend and changed him into a dope-less hope fiend. Oxford House living saves lives and creates responsible and productive citizens. Many more people deserve the chance to experience recovery in an Oxford House. **Will K. – North Carolina**



- One day [while in rehab] we went to this presentation..... A woman started telling us about these houses that you could live at with other addicts.I moved into Oxford House, Wayne Manor, on September 9, 2015. I started seeing that I had a purpose and I started giving back. By November, I was House President, Chapter Secretary, and State Chair. I lived there until this past April. Through Oxford House, I have made some amazing new family. Since moving out, I have stayed very involved by continuing to go to house meetings, and also opening new houses and filling them. I can never walk away from Oxford House. I love this organization. It gave me life and meaning. I just want to give back everything it has given to me. **Shannon – West Virginia**

- My sobriety date is December 23, 2013. ...I needed to learn how to live and that's when I found Oxford House. ... I went to the interview and I was so nervous. I didn't know what was going to happen. As the interview went on, I noticed that these guys were actually talking to me like a human being with respect and not just some junkie of the street. I got accepted and felt a part of something great right away. I have now been in Oxford House for just over 2 years and it has done wonders for my recovery. **David L. – Louisiana**

Oxford House living saves lives and creates responsible and productive citizens. Many more recovering persons deserve the chance to experience recovery in an Oxford House.

HIGHLIGHTS OF THE 2016 OXFORD HOUSE WORLD CONVENTION

Over 1,000 Oxford House residents, alumni and friends participated in the 2016 Oxford House World Convention held in Dallas, Texas from September 29 to October 2, 2016. The convention theme was: Oxford House – Blueprint for Success. The convention featured general sessions, breakout panels, campaign speeches, awards, good food and social events. *(A copy of the full 2016 convention program can be found on the website (www.oxfordhouse.org under 'About Us/History.')*



A large audience listened intently to the opening general session (above). It opened with an invocation, welcoming speeches, and a convention overview by COO Kathleen Gibson and CEO Paul Molloy. Keynote speeches were given by Dr. Westley Clark, former CSAT Director, and current CSAT Director Kimberly Johnson.



Over the course of the convention, there were 25 breakout panels that covered topics that included general addiction education, strategies for achieving, maintaining and measuring long-term recovery, the opioid epidemic, the use of prescribed drugs in Oxford Houses, technology in Houses, an overview of Oxford House research, working with drug courts and re-entry programs, and the importance of having fun in Oxford House. In between sessions, convention participants enjoyed coffee breaks.



The Friday morning breakout panels covered a wide range of topics. The two panels below covered opioid addiction (left) and Oxford Houses and prison re-entry (right). Individuals addicted to opiates have done well in Oxford Houses since they started in 1975. Three-quarters of Oxford House residents have served some jail time – some have served only a day or two while others have served many years. Oxford House is in the forefront of those helping persons leaving incarceration to get into an Oxford House and break the cycle of recidivism into either addiction or crime. See other sections of this report for more on these topics.



Other breakout panels on Friday covered topics that included: Educating the Public about Recovery; Working with Treatment Providers; Working with State Agencies; Working with Drug Courts and Parole/probation Programs; Defining and Measuring Oxford House Networking; the Nuts and Bolts of Opening a New Oxford House; Technology in Oxford Houses; and the Core Principles of Oxford Houses.



A highlight of the Friday afternoon general session was a presentation by Stuart Gitlow, M.D. who spoke authoritatively and engagingly about the process of addiction, with hand-drawn flip chart illustrations.



The Friday afternoon General Session also featured campaign speeches by candidates vying for seats on the Oxford House World Council, an Advisory Council to the OHI Board of Directors. The Council is made up of Oxford House residents and alumni who serve rotating 3-year terms. (Photos of some of the candidate speeches are shown next to the Table of Contents in this report.) Resident and alumni candidates vying for seats on the World Council gave 3-minute campaign speeches.

The Directors' 100-Year Awards are presented to all Oxford Houses that voluntarily contribute at least \$600 a year to Oxford House, Inc. to support expansion and maintenance of Oxford Houses. Below are photos of some of the state groups assembled to accept their awards.



On Friday night, convention participants walked nearby to Medieval Times for food and entertainment. Crowns were worn and teams were cheered. Back at the hotel, revelers continued to revel in their royalty.



The Saturday session began at 7:00 a.m. with a sumptuous breakfast buffet. The food was plentiful and delicious. Everyone got up early to socialize, eat and get ready for a full schedule of events and activities.



Saturday morning was filled with breakout panels – 15 panels altogether. Topics included Current Oxford House Research, Medication in Oxford Houses, Civil Rights and the Law, Housekeeping issues (like bedbugs), Networking for Jobs and Using Community Resources, and the Importance of Having Fun in Recovery.



A particularly informative panel discussed Strategies for Achieving, Maintaining and Measuring Long-term Recovery. Panelists included Dr. Westley Clark and Dr. Stuart Gitlow, CSAT Director Kimberly Johnson, Researcher John Majer and Oxford House alumni/outreach workers. The panelists discussed what long-term recovery means and how it should be measured and how Oxford House residents and alumni achieve it. They also discussed the fact that Oxford House residents firmly believe in ‘recovery without relapse’ and talked about how that belief contributes to most Oxford House residents and alumni attaining and maintaining long-term sobriety.



The afternoon General Session featured a keynote address by Michael Botticelli, Director of the White House Office of National Drug Control Policy (informally known as the federal Drug Czar) who spoke of addiction and responded to audience questions. In addition, the Oxford House World Council members were announced (see photo of full Council below) and the convention participants voted on proposed resolutions.



Between sessions, participants spent time in the hotel's outdoor gardens and patios. And, everywhere at the convention, there were Oxford House t-shirts – on participants and for sale by Oxford House state groups.



The Saturday night banquet featured opening remarks by Board member Bill Newman and the presentation of awards by James McClain, Paul Molloy and Kathleen Gibson to Oxford House residents and alumni and to a strong supporter of the Oxford House program, Debi Wheeler. A well-received recovery speech was made by recovery author Brian Cuban. The banquet was followed by dancing and other activities.



FY 2016 Financials

Oxford House, Inc. Statement of Financial Position June 30, 2016¹

ASSETS	
CURRENT ASSETS	
Cash	\$ 348,141
Accounts Receivable, Net	1,050,660
Employee Advances	24,438
Prepaid Expenses	86,438
Loans Receivable, Current Portion	66,539
Total Current Assets	<u>1,576,216</u>
PROPERTY AND EQUIPMENT	
Furniture and Office Equipment	239,013
Less Accumulated Depreciation	<u>(171,495)</u>
Net Property and Equipment	<u>67,518</u>
OTHER ASSETS	
Loans Receivable	111,324
Restricted Cash	95,662
Deposits	<u>15,285</u>
Total Other Assets	<u>222,271</u>
TOTAL ASSETS	<u>\$1,866,005</u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable	\$ 313,491
Program Advances	162,712
Accrued Payroll Taxes	17,130
Accrued Salaries	133,810
Deferred Lease Obligation	<u>22,527</u>
Total Current Liabilities	<u>649,670</u>
Total Liabilities	<u>649,470</u>
NET ASSETS, Unrestricted	<u>1,216,335</u>
TOTAL NET ASSETS	<u>1,216,335</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$1,866,005</u>

Statement of Activities

SUPPORT AND REVENUE	
Federal Awards	\$ 4,111,083
State and Local Awards	1,922,408
General Contributions	526,393
Convention Revenue	243,193
Litigation Settlement Income	42,500
Combined Federal Campaign	14,148
Revolving Loan Management Fees	3,000
Outreach Training Registration	700
Interest Income	<u>139</u>
Total Support and Revenue	<u>\$ 6,875,627</u>
EXPENSES	
Program Services	
State and Local Program – Federal Funds	\$ 4,111,083
State and Local Program–State/Local	1,922,408
State and Local Program – Other	153,972
World Convention	<u>223,390</u>
Total Program Services	<u>\$ 6,410,853</u>
Supporting Services	
Management and General	267,883
Fundraising	<u>822</u>
Total Supporting Services	<u>268,705</u>
Total Expenses	<u>6,679,558</u>
INCREASE UNRESTRICTED NET ASSETS	196,069
NET ASSETS Beginning of Year	<u>1,020,266</u>
NET ASSETS End of Year	<u>\$ 1,216,335</u>

Oxford House, Inc. FY 2016 Expenses By Category and Function

Expense Item	State/Local Program	G&A	Total Expenses
Salaries	\$2,723,795	\$71,759	\$2,795,554
Fringe Benefits	608,208	60,437	668,645
Payroll Taxes	<u>221,007</u>	<u>6,412</u>	<u>227,419</u>
Total Personnel	<u>3,553,010</u>	<u>138,608</u>	<u>3,691,618</u>
Travel & Lodging	2,080,843	0	2,080,843
Telephone/Facsimile	139,738	2,842	142,580
Professional Fees	112,980	49,655	162,635
Rent	154,418	22,263	176,681
Local Training	38,000	0	38,000
Printing/Publications	53,951	3,154	57,105
Insurance	30,771	5,967	36,738
Other	42,807	16,410 ²	59,217
Meeting/Conference	67,334	0	67,334
Office Supplies	15,243	9,673	25,436
Convention Expense	47,075		47,075
Outreach Supplies	39,134	1,400	40,836
Postage and Supplies	14,084	9,705	23,789
Payroll Services	7,840	6,662	14,502
Depreciation	12,768	1,841	14,609
Bank Charges	857	525	1,382
Total Expenses	<u>\$6,410,853</u>	<u>\$268,705</u>	<u>\$6,679,558</u>

Individual Oxford Houses followed through on a resolution at the 1999 Oxford House World Convention to encourage voluntary contributions to Oxford House, Inc. for the purpose of defraying expansion and service expenses.

During FY 2016, Oxford Houses contributed \$480,425 to OHI.

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. Since states are no longer required to maintain start-up revolving loan funds, it will become important for future expansion for Oxford House, Inc. to have a self-sustaining loan fund that can take up the slack. About \$80,000 was used for start-up loans in FY 2016 and the remainder for on-site technical assistance.

A full copy of the Oxford House, Inc. audit and IRS form 990 is available from Oxford House, Inc. Telephone 301-587-2916 or e-mail Info@oxfordhouse.org to receive a copy of the audit. The IRS form 990 is available to download at www.oxfordhouse.org under "About Us/Finances".

¹ See notes accompanying financial statement at end of the Annual Report. See box above-right for instructions on how to get full copy of audit.

² Includes \$822 for fundraising

OXFORD HOUSE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

Note 1 –Organization and Summary of Significant Accounting Policies

Organization

Oxford House, Inc. is a nonprofit organization incorporated under the laws of the State of Delaware on October 25, 1987 for the purpose of aiding in the rehabilitation and to improve social condition and environment for recovering alcoholics and drug addicts. This is accomplished by developing plans and programs for their recovery and by establishing homes for recovering substance abusers. Independently chartered "Oxford House" operates throughout the country as self-run, self-supported recovery houses. Oxford House, Inc. acts as the national umbrella organization and provides overall direction and technical, assistance to the independent "Oxford Houses."

Basis of Accounting

Oxford House, Inc. presents its financial statements on the accrual basis of accounting, whereby revenue is recognized when earned and expenses are recognized when incurred.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in FASB ASC Topic 958, Not-for-Profit Organizations. Under FASB ASC 958, Oxford House, Inc. is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporary restricted net assets, and permanently restricted net assets.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Allowance For Doubtful Accounts

Accounts receivable are considered to be fully collectible.

Property and Equipment

Property and equipment is stated at cost or donated value and is depreciated using the straight-line method over the estimated useful lives of the assets.

Acquisitions of property and equipment in excess of \$1,000 are capitalized. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expenses.

Grant Contract Revenue

Grant contract revenue is recorded when earned under the provisions of the applicable contracts.

Contributions

Oxford House, Inc. accounts for contributions in accordance with the recommendations of the Financial Accounting Standards Board in FASB ASC Topic 958, Not-For-Profit Entities. In accordance with FASB ASC 958, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Income Taxes

Oxford House, Inc. is exempt from Federal income taxes under section 501 (c)(3) of the Internal Revenue Code and has been classified as a publicly supported organization. As a 501(c)(3) nonprofit organization the organization is also exempt from State income taxes. Accordingly, no provision for income taxes is required in the accompanying financial statements.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Cash Equivalents

For purposes of the statement of cash flows, Oxford House, Inc. considers all highly liquid debt instruments with maturity of three months or less to be cash equivalents. There were no cash equivalents as of June 30, 2016.

Restricted Cash

Oxford House, Inc. maintains restricted bank accounts and certificates deposit under various contractual obligations.

Escrow Funds

Grants from individual states for funding of the loan program (Note 6) are segregated into escrow accounts for the benefit of the individual states. Those funds are not included in the financial statements of Oxford House, Inc. as they are considered to be state funds.

Major Customers

Oxford House, Inc. derives a substantial portion of its income from State awards funded in whole or in part by Federal funds.

Subsequent Events Evaluation

Management has evaluated subsequent events through December 13, 2016, the date the financial statements were available to be issued.

Note 2 – Loans Receivable

Oxford House, Inc. makes start-up loans to certain recovery houses and temporary loans [bridge loans] to other recovery houses. At June 30, 2016 loans receivable were \$177,863, net of allowance of \$-0-.

Note 3 – Accrued Salaries

Included in accrued salaries are salaries and royalties owed to an officer of Oxford House, Inc. as follows:

J. Paul Molloy, President	<u>\$ 133,810</u>
	<u>\$ 133,810</u>

Note 4 – Line of Credit

Oxford House, Inc. has a line of credit note of \$75,000 of which \$0 is outstanding at June 30, 2016. The note is secured by a \$30,912 certificate of deposit, which is included in restricted cash appearing on the statement of financial position. The interest rate is currently .09%. Oxford House, Inc. is to make minimum monthly payments of interest only. The note is considered payable on demand.

Note 5 – Retirement Plan

Oxford House, Inc. has a 403(b) retirement plan. All full time employees over the age of twenty-one [21] that have completed three months of service are eligible to participate. The plan is funded through pre-tax salary reductions by the employees.

Note 6 – State Escrow Accounts

Oxford House, Inc. has received restricted funds from various entities to be used solely for the purpose of extending revolving loans to establish new houses, which are then repaid by these houses.

Oxford House, Inc. managed funds or held and managed funds in escrow accounts under contracts with various states to meet the requirement of Public Law 100-690, “The Anti-Drug Abuse Act of 1988.” Such escrow accounts are not reflected in the accompanying financial statements of Oxford House, Inc. Held funds, including outstanding loan balances approximate \$1,630,000 at June 30, 2016.

Note 7 – Lease Commitments

Oxford House, Inc. leases office space and office equipment under operating leases. The office space lease is subject to operating cost increases. This lease commenced July 2013 and is scheduled to terminate June 30, 2018. Lease expense for the year ended June 30, 2016 approximated \$176,691, which included parking spaces and common area fees.

The following is a schedule of approximate future minimum lease payments under non-cancelable operating leases for office space with initial or remaining terms of one year or more as of June 30, 2016:

2017	174,679
2018	<u>179,934</u>
	<u>\$ 354,613</u>

Note 8 – Concentration of Credit Risk

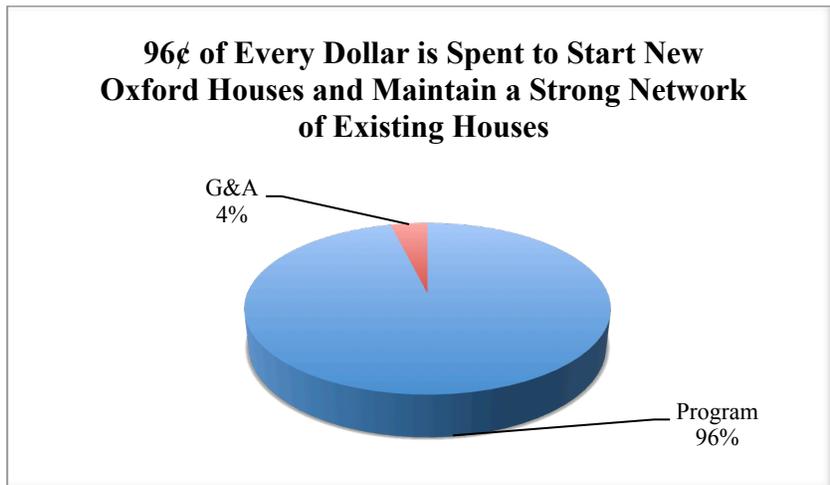
Bank balances in excess of Federally insured limits at June 30, 2016 were \$193,803.

Note 9 – Claims and Litigation

Oxford House, Inc. is subject to other various claims and litigation. In the opinion of management, the outcome of such matters will not have a material effect on the financial position of Oxford House, Inc.

Note: The auditor’s full report, including supplemental single state audits, can be obtained by sending an e-mail to info@oxfordhouse.org or writing to Oxford House, Inc., 1010 Wayne Avenue, Suite 300, Silver Spring, Maryland 20910.

Getting the Most Out of Every Dollar of Income



OHI has kept overhead at a very low percentage because the formula for expanding the number of Oxford Houses is based on the time-tested formula for technical assistance and small start-up loans. The central services office in Silver Spring, Maryland maintains the various revolving loan funds administered by OHI.

The bottom-line is that 96¢ of every \$1 is used directly for establishing and maintaining a strong worldwide network of Oxford Houses.

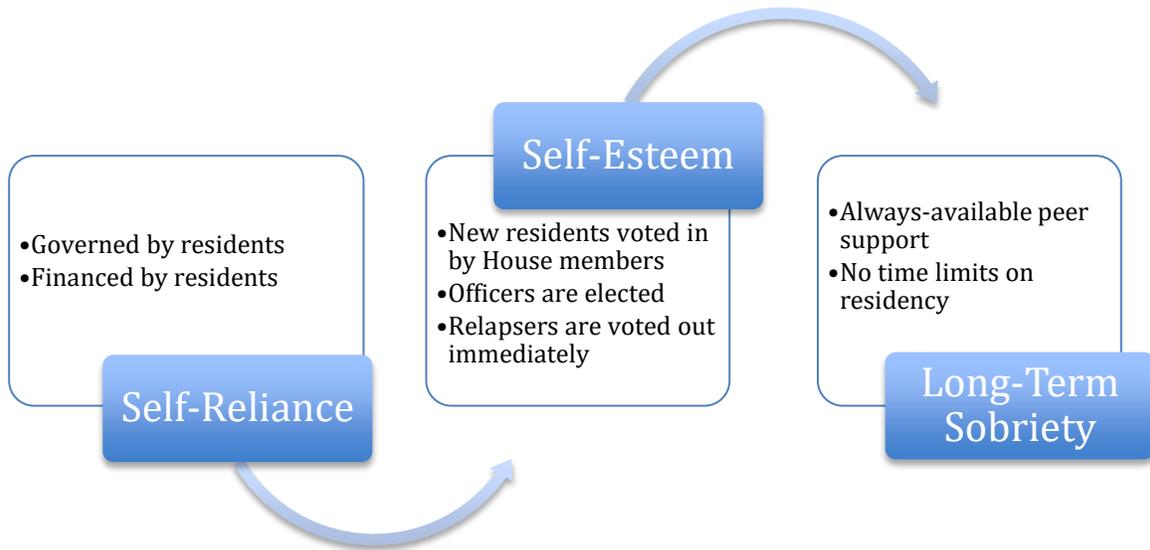
Oxford House: Creating a National Network of Recovery Houses One House at a Time



Pictured above are typical Oxford Houses. If all 2,127 Oxford Houses were pictured, using the same format of 15 houses per page, it would require 142 pages like this one to show each house. Each house is rented. Each house has a charter from OHI. Each house is self-run and self-supported by the residents in recovery. The national average equal share of household expenses is \$119 a week [range \$85 to \$185].

There are Oxford Houses for men and Oxford Houses for women. There are also Oxford Houses for women with children and for men with children. There are no co-ed houses. There are no residency time limits as long as the resident does not drink alcohol or use illicit drugs and pays his or her equal share of household expenses. The average length of stay is a little over 9 months with about 17.5% of the residents expelled for resuming use of alcohol or illicit drugs. Most relapses occur during the first three months of residence.

OXFORD HOUSE™



Unique • Evidenced-based • Time-tested
Fostering self-reliance, self-esteem and long-term sobriety

ALCOHOLISM AND DRUG ADDICTION

- About 17 million Americans are primarily active alcoholics with another 8 million addicted to illicit drugs. (SAMHSA)
- 20.3 million persons aged 18 or older needed treatment for an illicit drug or alcohol abuse problem in 2015 (8.5 percent of persons aged 18 or older). (SAMHSA)
- Of these, only 1.25 million – 6.2 percent of those who needed treatment – received it.
- Government reports show that alcohol and drug abuse is responsible for the admission of almost 1.5 million people to emergency rooms nationwide and drug addiction results in nearly half a trillion dollars' economic loss annually or \$1,426 per American.
- For those receiving treatment, 60% had been in prior treatment an average of more than three times. [TEDS]

Oxford Houses Provide a Low-Cost, Highly Effective Method of Reducing Recidivism

Not everyone who drinks alcohol becomes an alcoholic. Not everyone who uses mood-altering drugs becomes a drug addict. But some do. Society has struggled with effective ways to help those who become addicted to change behavior because their addiction can cause harm to them, their families and society at large. There is no magic wand but there is a process that works. The four stages are:

1. Intervention
2. Detoxification [Ending physical dependence]
3. Motivation and Education [Treatment]
4. Long-term Behavior Change

The weak link in the process is society's failure to support environments that foster long-term behavior change. Many individuals repeatedly relapse after completing the first three stages. Significant evidence suggests that the Oxford House program addresses this problem, fosters recovery without relapse, and does so at a cost society can afford. With peer support and no residency time limits, Oxford Houses provide the time and environment needed for the development of long-term recovery without relapse.

Oxford HouseTM

1975-2017

*42 Years of Organized Self-Help To Enable Alcoholics and Drug Addicts
To Recover Without Relapse*

- Providing 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 Achieve Recovery Without Relapse
- Providing the Legal, Philosophical, and Scientific Framework for a Cost-effective, Worldwide Network of Supportive Recovery Housing

Write or Call

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Silver Spring, Maryland 20910

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