

**Oxford House, Inc.**

**Annual Report**

**Fiscal Year**

**2009**

Oxford House  
"Together We Can"

*(Theme of the 2009 Oxford House World Convention)*

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

## About Oxford House, Inc.

Oxford House, Inc. is the Delaware nonprofit, 501(c)(3) corporation that serves as the umbrella organization of the worldwide network of more than 1,400 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 for 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 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: (1) has 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 and responsible behavior. Slowly but surely residents develop long-term behavior to assure comfortable sobriety – forever. Some individuals live in Oxford Houses a few months, others live there for many years. The residents develop each Oxford House into a place where they can learn to live a responsible life without the use of alcohol and drugs.

2009 sets another successful benchmark toward Oxford House's goal of providing enough recovery homes for every alcoholic and drug addict in recovery to have the opportunity for Oxford House living to achieve lifelong recovery without relapse. With 35 years of steady growth and successful recovery outcomes, it is clear that the 35-year old traditions, processes and procedures permit Oxford House organization to grow and preserve quality control throughout its network of individual houses.

Silver Spring, Maryland  
January 15, 2010

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The Oxford House Convention was held at the Hyatt Regency on Capitol Hill in Washington, DC. September 2009. Pictured above are residents and alumni attending the Second General Session on Friday afternoon.

## MANAGEMENT OVERVIEW

### 2009 – A Year of Expansion, Communication, and Documented Success

Oxford House provides a system of low cost, self-run, self-supported housing for men and women recovering from alcoholism and drug addiction. With more than 34 years of experience, Oxford House continues to focus on its key mission of fostering recovery without relapse and making its services available to as many recovering alcoholics and drug addicts as possible.

Throughout the year, Oxford House focused on expansion, communication and a continued commitment to scrupulous documentation of program outcomes and encouragement of independent research. As a result of this focus, Oxford House has continued its documented success in fostering recovery without relapse.

#### Expansion

Over the course of the 2009, 149 new Oxford Houses were created, expanding the number of recovery beds by 1,219. As a result of this expansion, there are now 1,393 Oxford Houses having more than 10,000 recovery beds. Since inception, over 200,000 people have lived in Oxford Houses.

Oxford Houses exist in 44 states and in 2009 new Oxford Houses were created in 27 different states. The vast majority of new houses were created in states where there is some government



support provided for the creation and oversight of Oxford Houses. This follows the pattern established in the early years of Oxford House when the Anti-Drug Abuse Act of 1988 was enacted with a start-up loan provision for self-run, self-supported recovery homes. Since the cost of the initial month's rent is the greatest outlay required for the start of a house, the availability of \$4,000 per house start-up loans provided the catalyst for the expansion of a small cluster of Oxford Houses in 1988 to the large network of houses that exist today.

While individual Oxford Houses are self-supported, the Oxford House program is not cost free. Creating a new house requires the provision of a start-up loan to cover one or two months' rent and utilities and the cost of outreach assistance to teach new residents the rules of the road. States are no longer required to maintain start-up loan funds but some states do maintain such funds and provide additional support for outreach workers. Oxford House has been very successful in leveraging minimal outside funding to achieve substantial growth in the availability of recovery beds. It is leading edge of a new paradigm in making cost-effective recovery without relapse available to thousands of individuals suffering from alcoholism and drug addiction.

## Communication

Oxford House coordinates the operation of a large network of self-run and self-supported houses and operates on a very lean budget. Wherever possible, it seeks efficiencies and works to consolidate gains in order to accomplish as much as possible. Key to achieving these goals is efficient and effective communication.



The Oxford House website: [www.oxfordhouse.org](http://www.oxfordhouse.org) is an important communication tool to inform and collect up-to-date information about vacancies, applications, expulsions and voluntary departures but it is only one tool for assuring quality operations.

Oxford House communicates regularly with its network of houses through the development and distribution of regularly updated concept and procedure manuals and documents to teach the theory and use of the Oxford House system or operations; it distributes newsletters; it trains and supervises outreach workers to work with new and existing houses and chapters.

One of the most important vehicles for providing communication, mutual support and encouragement, and education for Oxford House residents (as well as outreach workers, state and local government representatives, and non-profit organizations represented there) is the annual Oxford House World Convention. Over a 3-4 day period, conference participants – many of whom had been in jail or homeless within the last year – travel to the convention city where they stay in a top hotel and attend workshops, listen to researchers and government drug and alcohol leaders, elect representatives to the Oxford House World Council, socialize and network.

While communication within the Oxford House network is essential to its operation, external communication is equally necessary. Oxford House staff and residents work with the treatment community to educate them about the program and keeps alcohol and drug agency personnel updated on progress and challenges. Oxford House is somewhat unique in the attention it pays to assuring that the civil rights of recovering alcoholics and drug addicts are respected. Oxford House won a Supreme Court case in 1995 and continues to aggressively litigate cases when appropriate and is known as a leader in the field of housing discrimination.<sup>1</sup>

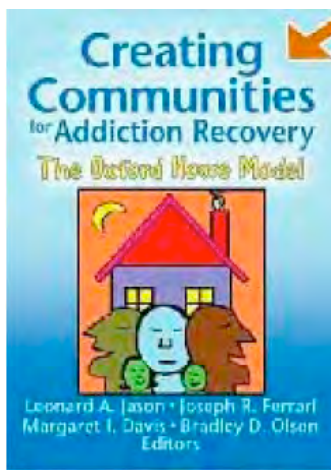
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<sup>1</sup> CITY OF EDMONDS v. OXFORD HOUSE, INC., ET AL. 514 U.S. 725 (1995) found that recovering alcoholics and drug addicts are “handicapped” within the meaning of the Federal Fair Housing Act 1988 Amendments and therefore a protected class under the act. This permits groups of recovering individuals forming an Oxford House to rent single-family houses in good neighborhoods even though the NIMBY problem continues to erupt. Localities must make a reasonable accommodation in local zoning laws to allow rental in good neighborhoods. Oxford House intervened to inform local zoning officials about the rights of recovering individuals to live together just like an ordinary family. In most situations the matter is resolved without litigation, however, in 2009 OHI was involved in protecting the rights of individual Oxford Houses in Federal Court in six cases.

## Documented Success

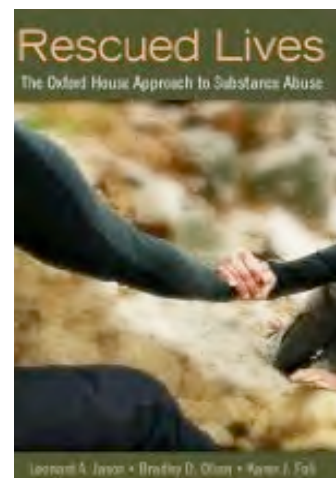
Oxford House maintains an extensive database of information about Oxford House residents. Compiled by Oxford House with the consent and enthusiastic support of the residents, the survey data are analyzed and reported and made available to outside researchers who wish to review them. The 2009 National Resident Profile contained in the report is based on the survey data. A number of state evaluations were also undertaken in 2009 and can be downloaded from the web-site ([www.oxfordhouse.org](http://www.oxfordhouse.org)) by clicking on “Publications/Evaluations/States.”

In addition, Oxford House welcomes independent researchers who wish to undertake their own research to examine the system or operation and evaluate outcomes. To date, over 100 peer-reviewed articles have been published in scholarly journals. Many of the publications are available on the Oxford House web site ([www.oxfordhouse.org](http://www.oxfordhouse.org)) and can be downloaded from the site under “Publications/Evaluation/DePaul”. A list of all the peer-reviewed published articles can be downloaded from the site under “About Us/Resources.”



***Creating Communities for Addiction Recovery: The Oxford House Model.*** (2006)

Leonard Jason, Joseph Ferrari, Margaret Davis, & Bradley Olson, New York: Haworth



***RESCUED LIVES: THE OXFORD HOUSE APPROACH TO SUBSTANCE ABUSE.*** New York: Routledge (2008)

Leonard Jason, Bradley Olson & Katherine Foli

The research – both internally and that sponsored by the National Institutes of Health [NIDA and NIAAA] – has shown many of the dynamics that makes the self-run, self-supported Oxford House Model ideal in providing residents the time and peer support necessary to become comfortable enough in recovery to avoid relapse. In many ways, the Oxford House network of houses has provided a window into all aspects of the process of recovery. Behavioral research is never easy to conduct or to analyze but within every Oxford House the members understand its importance. The annual Oxford House World Convention provides a forum for strengthening the commitment the organization has to using both process and outcome research to sort out what works for addiction recovery from what does not work.

# 2009 ANNUAL OXFORD HOUSE CONVENTION

## *"Together We Can"*

The Oxford House Annual Convention is held annually alternating between Washington, D.C. and a city elsewhere in the country. In 2009 the Convention was held in Washington and will be held in Chicago in 2010. Each Oxford House Convention follows a format that includes a pre-convention Oxford House Women's Conference, four General Sessions, five breakout sessions where attendees have a choice of four panels of experts on various aspects of addiction and recovery, election of members of the World Advisory Policy Council made up of residents and alumni, and general socialization of residents and alumni from statewide Oxford House associations throughout the country. This sharing of experience among Oxford House residents and alumni throughout the country, educational information from experts in the field and organization to expand the Oxford House opportunity to others in recovery has proven to be a meaningful catalyst for expansion and quality control.

In 2009, Dr. Westley Clark, Director of the Federal Center on Substance Abuse Treatment addressed the first General Session of the Convention. It was Dr. Clark's eighth participation in an Oxford House Convention bringing attendees up-to-date about national efforts to combat addiction. One of the great values of the national convention is that the organization is able to meld together its efforts with the governmental efforts to deal with the substantial national problems caused by addiction. Dr. Clark shared the new em-



phasis government is putting on the continuum of support to foster recovery. The shift from dealing with alcoholism and drug addiction as needing only acute care rather than recognizing the chronic nature of the diseases has not worked. Oxford House by proving the time, peer support and disciplined democratic self-run and self-support system of operation that is working so well to assure sobriety comfortable enough to avoid relapse.

In the afternoon session at the Second General Session, Thomas McLellan, Ph. D. a national leader in research in recovery and the new Deputy Director of the Office on National Drug Control Policy [the new ONDCP Demand Reduction Drug Czar] used the Oxford House Convention for his first public address in his new job. Dr. McLellan, who has made great contributions to research for assessing alcoholism and drug addiction and effective recovery protocols. At each of the eleven annual conventions ONDCP has brought its leadership to the convention. Not only did Dr. McLellan bring important information about the renewed focus ONDCP intends to put on demand reduction to combat the national illicit drug trade but also emphasized the need for all professionals in the field to improve detection of addiction and the ways to help addicted individuals to master sobriety comfortable enough to avoid a return to compulsive use. He also acknowledged the symbiosis between alcoholism and addiction to



other drugs. Today, four of five Oxford House residents and alumni are recovering from both alcoholism and addiction to some other drug such as cocaine, methamphetamine, or heroin. Time, peer support and a safe recovery supported living environment more often than not make the difference between long-term sobriety and continuous recycling in and out of addiction and repeated treatment or incarceration.<sup>2</sup>

The five breakout sessions at the convention provide a means for in-depth examination of the various aspects of addiction and recovery in twenty targeted presentations by experts in the addiction field. The residents and alumni attending the convention are able to learn ways for Oxford House to improve its outreach to more alcoholics and drug addicts seeking sobriety comfortable enough to avoid a return to addiction. A few of the panels are discussed below to give a flavor of the quality and scope of the presentations. The full convention program can be downloaded from our website by going to “About Us/History” and clicking on “2009 Convention Program.”

#### *Oxford House and Drug Courts*

General Barry McCaffrey, former Drug Czar, West Huddleston, Executive Director of the National Association of Drug Court Professionals [NADCP], and Joe Chavez, the Oxford House outreach worker in Hawaii, presented the partnership opportunities for Judges to utilize Oxford Houses as an effective

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<sup>2</sup> The nuts and bolts of recovery are many and diverse. No two addicts take exactly the same path to recovery. Intervention, detoxification, treatment and long-term sobriety characterize the components of successful recovery but few make it through the process to achieve the desired result. Historically, the cost to provide sufficient recovery support following intervention, detoxification and primary treatment has been too high and poorly structured. Traditional halfway houses and therapeutic communities involve staffing costs, residency time limits and the inherent custodial weaknesses in fostering sufficient self-efficacy in sobriety to avoid relapse.

resource for assuring that more addicts avoid jail by transforming themselves from addicts to sober, responsible citizens. Hundreds of drug court clients are now making the transition from addiction to recovery with the help of Oxford House living. Those hundreds are but the tip of the ice burg. Thousands have no safe place to live while attempting to navigate the path to recovery.



Pictured above is Flo Stein, Director of North Carolina State Agency on a panel with Riley Reagan, former New Jersey and New Hampshire State Director [foreground], and Ken Batten, Virginia Director.

#### *Oxford House and State Agencies*

State Directors of Alcoholism, Drug Addiction and mental health services Flo Stein, [NC], Tori Fernandez Whitney, [DC], and Ken Batten, [VA], joined Riley Reagan, [former director in NJ and NH] on a panel discussing the relationship between state agencies and Oxford House. Riley had helped to form NASADAD – the national association of state directors – and Flo, Tori and Ken are currently officers of that group. The panel provided insight into the many faceted tools state agencies must use to deal with treatment and prevention of substance abuse and mental illness. Residents and alumni were able to probe ways and means to improve existing state outreach contracts and to explore ways to involve states that have yet to utilize Oxford House as an effective resource to assure a lower rate of recycling of addicts in and out of treatment or incarceration.





Dr. Westley Clark, CSAT, Paul Molloy and Retired General Barry McCaffrey, the former Drug Czar at Convention.

#### *Oxford House and Research*

Leonard Jason, Ph.D. [DePaul University Community Research Center], Keith Humphreys, Ph.D. [formerly Stanford University newly appointed to ONDCP] and Akiva Liverman, Ph.D. [NIDA] conducted a panel on “Why Behavioral Research Matters” that examined the value of research and the role Oxford House residents have played by participating in research to better understand the recovery process. Thousands of Oxford House residents and alumni have already participated in independent research and over the last three decades. More than 100 peer-reviewed research articles examining various aspects recovery of Oxford House residents have already been published in academic journals. From its beginning Oxford House has placed a high value on honest research and the panel re-enforced the great benefits that can come from evaluation and analysis of how addicts can best navigate the rocky road between addiction and sobriety comfortable enough to avoid relapse.

#### *Oxford House and Veterans*

About 20% of the approximately 10,000 individuals living in Oxford Houses at any one time are military veterans. Leonard Jason, Ph.D., [DePaul], John Allen, Ph.D. [Mental Health Services, Department of Veterans’ Affairs] Angela Martinelli, Ph.D. [NIAAA] and

Dr. Ken Hoffman, [Ret. USA and Board of Oxford House, Inc.] conducted a panel focused on veterans, recovery and Oxford House. Most of the residents and alumni at the panel were veterans and the discussion covered all aspects of addiction and mental illness among veterans including PTSD. Dr. Jason announced that DePaul has begun specific research on the how veterans do in Oxford Houses compared to similarly situated non-veterans. The panel emphasized that the time and peer supported afforded by the Oxford House model was well suited to meeting the needs of veterans in recovery.



Barry McCaffrey [Ret. USA] and Paul Mulloy [Ret. USN] confer at the Convention about ways to provide more opportunity for veterans in recovery to live in Oxford House.

#### *Oxford House and Civil Rights*

Since expansion began in 1989, Oxford House has been a leader in defining the scope and protections of the Federal Fair Housing Act Amendments of 1988 that added handicapped as a class protected against housing discrimination. Three civil rights lawyers conducted a panel on discrimination under the Federal Fair Housing Act – Steve Polin, Greg Heafner, and Thomas Patton. Steve and Tom practice in the District of Columbia and Greg practices in North Carolina. Steve and Greg are both alumni of Oxford House.

The panel discussed current cases and controversies that Oxford House is involved in including current litigation in California, Ne-

vada, New York, North Carolina, and Florida. Historically, the cases range from NIMBY efforts to enforce single-family zoning ordinances to landlord insurance coverage and fire safety issues. As a general proposition, Oxford House has successfully maintained that it Oxford House groups should be treated exacting the same as an ordinary family renting a residence.

Most scholars agree that Oxford House has significantly defined the scope and extent of protection against discrimination of handicapped individuals – including those in recovery from alcoholism and drug addiction. It is understandable that the 1995 U.S. Supreme Court victory in the *City of Edmonds Case* did not resolve issues related to Oxford House and NIMBY or other discriminatory actions. The lawyers on the panel not only explained existing rights under the law but also identified issues that still arise. Often the solution is simply educating local zoning officials, property insurance companies and fire safety officials about the protections afforded by the Fair Housing Act. Sometimes additional litigation is required to obtain court clarification of the application of the law.

#### *Use of Medication in Oxford Houses*

Two different panels addressed the use of medication by residents of Oxford Houses. One panel directly looked at the problem of medication that can, if misused, become addictive. The other panel looked at psychiatric co-morbidity among Oxford House residents. John Majer, Ph.D. [Daley College] and Leonard Jason, Ph.D. discussed a new peer reviewed report on a longitudinal study of the prevalence of co-morbidity among Oxford House residents based upon testing of more than 600 residents using testing for severity of underlying mental illness. The good news was that while 50 percent of residents at the six-month time frame tested positive for ei-

ther minor or serious mental illness both groups did well in an Oxford House. Such individuals stay clean and sober and they developed good habits in taking their corrective medicines as prescribed. Dr. Ken Hoffman was able to provide informed advice about the appropriateness of medication for the recovering alcoholic and drug addict.

#### *Women's Conference*

156 Oxford House residents and alumni attended the six-hour women's conference that preceded the convention. One of panels at the convention provided an opportunity for several of the women who had attended the conference to share their reactions to the conference with other convention attendees.

Each breakout panel provided first class information to subsets of the convention participants. As a general rule, residents and alumni from discrete geographic areas would divide up to make sure that when they returned home they could share all aspects of the convention with their fellow Oxford House members. Many purchased a full set of CDs so that the folks back home could listen to banquet speakers, general session speakers and the participants from each of the twenty five breakout panels.<sup>3</sup>



<sup>3</sup> A full CD set of the 33- hour convention recording is available for \$150 from New Life Productions – Telephone: 205-938-2368. A podcast summary of the convention by Paul Molloy, Co-founder and CEO is available on the web at: [http://web.me.com/paulmolloy1/Site/Podcast/Entries/2009/10/27\\_Closing\\_Summary\\_2009\\_Convention.html](http://web.me.com/paulmolloy1/Site/Podcast/Entries/2009/10/27_Closing_Summary_2009_Convention.html)

## LOOKING AHEAD

Oxford House has evolved from a single house in 1975 to a national network of 1,400 houses. During its 35 years, thousands of residents and alumni have contributed ideas to improve operations. In its transformation from a small local resource for recovering individuals to a national organization it has utilized a measured but effective partnership with state and local governments. At the same time, the organization has continued to work closely with treatment providers, drug courts, prison re-entry programs and the self-help recovery community.

In the development process to date the organization has refined an operating business plan that carefully develops local networks of Oxford Houses and maintains quality control by connecting the individual houses to local groups of houses and the national umbrella organization. It has done this with the utilization of trained outreach workers, modern communications technology including the Internet, and partnership with the multitude of organizations involved with addiction treatment and recovery. In the process the organization has operated with a modest budget that is able to balance expenses with income substantially because of the more than \$200,000 in voluntary contributions made by individual houses.

Looking ahead the need for many more Oxford Houses is beyond doubt. The odds of an individual in recovery becoming comfortable enough in sobriety to avoid relapse are five times greater if the individual is able to live in an Oxford House. Real evidence and research documents the success. Unfortunately real evidence also shows that most alcoholics and drug addicts will not have access to an Oxford House and most will relapse again and again. This recycling in and out of treatment or incarceration costs society a lot of money.

The Treatment Episode Data Set [TEDS] compiled by SAMHSA shows that 60% of the fortunate few who get into treatment have been there three or more times before. On the other hand, the extensive NIDA and NIAAA sponsored research by DePaul University in Chicago shows that Oxford House living produces long-term recovery without relapse.

Oxford House based on its 35 years experience has shown that clusters and networks of Oxford Houses can be established and maintained at a fraction of the cost of recycling individuals through treatment or ignoring the problem. Unfortunately, most alcoholics and drug addicts do not at present have access to treatment. Of the 25 million alcoholics and drug addicts needing treatment last year about 1.4 million received it. Of that number most will relapse unless they are able to gain the time, peer support and self-esteem gained from living in an Oxford House.

Oxford House, Inc. [OHI] – the national umbrella nonprofit organization – established 149 new houses in 2009 and maintained a strong national network of nearly 1,400 individual houses. Because the model is virtually self-sustaining once the individual houses and chapters are established and trained, expansion on a large scale is relatively easy. However, key to large-scale expansion is the development of working relationship with all of the states and the utilization of more trained outreach workers. Therefore, OHI intends to ask Congress to consider the provi-

sion of small cash incentives to encourage states to use a small portion of their respective ADM block grants to fund on-site trained outreach workers.<sup>4</sup>

The evidence is in and Oxford Houses are the most cost-effective way to stop recycling of recovering individuals in and out of active addiction. Where states have provided funding to OHI for use of trained outreach workers to develop statewide networks of Oxford Houses the results have been impressive. For example, a substantial number of Oxford Houses have been developed in the following states: Washington 229 Oxford Houses, North Carolina has 132, New Jersey 74, Virginia 82, Oregon 174, Oklahoma 52, Missouri 59, Delaware 26, Hawaii 29, Kansas 56, Louisiana 56, Nebraska 27, Pennsylvania 42, Illinois 46, Texas 62 and Wyoming 13. In each instance the utilization of trained outreach workers and presence of a Recovery Home Revolving Loan Fund has made a difference.

The other component for development of statewide networks of Oxford Recovery Homes is the start-up loan to rent a house and buy beds. Under the Anti-Drug Abuse Act of 1988, §2036 sets a cap on such loans of \$4,000. While that amount was sufficient in 1988, inflation since then would suggest increasing the amount to \$7,200. OHI intends to ask Congress to increase the amount to \$6000 [partially off-setting inflation] and to extend the payback period from 24 to 36 months. The extension of the payback period will allow houses to continue a payback installment of \$170 a month – which is manageable enough for houses to maintain their near perfect record of payback. For example, the original \$100,000 Washington State Recovery Home Revolving Loan fund established in 1991 has turned over nine times – 248 start-up loans have been made totally \$992,000.

Today, the utilization of electronic transfer payments directly from the house checking account to OHI – who maintains revolving loan funds to most of the states that have them – makes loan repayment timely and effective. OHI intends to request that Congress provide money for OHI to establish a central revolving loan fund that can be drawn upon for house start-up loans in states not maintaining their own funds.

Finally, in looking forward, OHI is convinced that direct utilization of Oxford House by the Department of Veterans Affairs is the only way to meet the President's goal of ending homelessness among veterans within five years. We have submitted a proposal to start 100 homes to serve about 1,000 homeless veterans in recovery at any one time to the Department. OHI intends to request that Congress consider the matter too. The present VA programs tend to so restricted that none can be effectively used to help expand recovery home for veterans. The establishment of 100 veteran Oxford House Recovery Homes will cost about \$3 million – a fraction of any alternative. In 2009, about 20% of the residents in Oxford Houses at any one time is military veterans in recovery. We are hopeful that various organizations for veterans can be helpful in helping furnish the new houses.



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<sup>4</sup> The incentive does not have to be large because the annual cost to OHI to train, pay and support an outreach worker averages only \$80,000 a year. OHI will suggest that Congress provide an incentive-matching grant of up to \$200,000 for any state that decides to utilize OHI to provide outreach services.

## Good Houses in Good Neighborhoods



Oxford House - Vasser, at the left, was established in June 1990 in Audubon, New Jersey. It provides home at any given time to ten recovering women many of whom had been homeless. Since established, more than 170 recovering women have lived in the house. Projecting the DePaul University study sponsored by NIAAA, more than 80 percent of the residents in this house have become clean and sober and will stay that way. Today, there are 72 Oxford Houses in New Jersey – 14 for women; 58 for men – 557 recovery beds.

*Creating an Effective National Recovery Network One House at a Time*

### 2009 National Oxford House Resident Profile<sup>5</sup>

Number of Women's Houses:	342	No. of Women Residents:	2,628
Number of Houses For Men:	1,053	No. of Men Residents:	8,268
National Network of Houses:	1,395	Total Number of Residents:	10,896
Number of States with Houses:	44	Cities with Houses:	426
Cost Per Person Per Week:	\$100	Rent Per Group Per Month	\$1,380
Percent Veterans	18%	Average Age	36.2 yrs.
Residents Working 6/15/09:	92%	Average Monthly Earnings:	\$1,580
Percent Addicted To Drugs or Drugs and Alcohol:	74%	Percent Addicted to Only Alcohol:	26%
Race --		Marital Status --	
White;	54%	Never Married	45%
Black;	42%	Separated	18%
Other	4%	Divorced	33%
		Married	4%
Prior Homelessness:	58%	Average Time Homeless:	6 Mos.
Prior Jail:	78%	Average Jail Time:	13 Mos.
Average AA or NA Meetings Per Week:	5.1	Percent Going To Counseling <u>and</u> AA or NA:	45%
Average Length of Sobriety of House Residents:	14.5 Mos.	Residents Expelled Because of Relapse:	19.8%
Average Length of Stay In An Oxford House:	10.1 Mos.	Average No. of Applicants For Each Vacant Bed:	9

**Oxford House 2009 World Convention: Washington, DC**  
*2009 Theme: Together We Can*

<sup>5</sup> As of June 30, 2009 based on standard OHI survey and house reports.

## Oxford House Highlights

- **10,896 Number of Oxford Recovery Beds**
- **1,395 Number of Oxford Houses as of December 2009**
- **44 Number of States having Oxford House**
- **426 Number of towns or cities having Oxford Houses**
- **\$1,580 average monthly income of residents**
- **\$100 average weekly share of expenses paid by Oxford residents**
- **58% of Oxford House residents had been homeless for an average of 6 months**
- **74% addicted to drugs in addition of alcohol**
- **78% had done jail time connected to their addiction**
- **14.5 months average length of sobriety**
- **149 New Houses started CY 2009**
- **44 for Women; 105 Men**
- **Total Added Recovery Beds: 1,219; Men: 868; Women: 351**

**Oxford House, Inc.**  
**Statement of Financial Position**  
**June 30, 2009<sup>6</sup>**

ASSETS	
<b>CURRENT ASSETS</b>	
Cash	\$ 63,525
Accounts Receivable, Net	197,381
Prepaid Expenses	12,547
Employee Advances	7,293
Litigation Receivable, current portion	18,000
Loans Receivable	<u>5,195</u>
Total Current Assets	<u>303,941</u>
<b>PROPERTY AND EQUIPMENT</b>	
Furniture and Office Equipment	136,246
Less Accumulated Depreciation	<u>(78,378)</u>
Net Property and Equipment	<u>57,868</u>
<b>OTHER ASSETS</b>	
Litigation Receivable	10,755
Loans Receivable	58,291
Restricted Cash	94,865
Deposits	<u>10,634</u>
Total Other Assets	<u>174,545</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 536,354</u></b>

LIABILITIES AND NET ASSETS	
<b>CURRENT LIABILITIES</b>	
Accounts Payable	\$ 155,060
Accrued Salaries	103,810
Accrued Payroll Taxes	9,902
Deferred Revenue	51,720
Line of Credit	<u>17,090</u>
Total Current Liabilities	<u>337,582</u>
NET ASSETS, Unrestricted	<u>198,772</u>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b><u>\$ 536,354</u></b>

**Statement of Activities**

SUPPORT AND REVENUE	
Federal Awards	\$ 1,792,049
State and Local Awards	468,072
General Contributions	298,101
Convention Revenue	139,849
Combined Federal Campaign	12,385
Net Litigation Settlement	7,525
Interest Income	<u>2,265</u>
Total Support and Revenue	<u>\$ 2,720,246</u>

EXPENSES	
<b>Program Services</b>	
State and Local Program – Federal Funds	\$ 1,792,049
State and Local Program – Non-Federal Funds	468,072
State and Local Program – Other	<u>151,646</u>
Total Program Services	<u>\$ 2,411,767</u>
<b>Supporting Services</b>	
Management and General	306,951
Fundraising	<u>317</u>
Total Supporting Services	<u>307,268</u>
Total Expenses	<u>2,719,035</u>
<b>INCREASE UNRESTRICTED NET ASSETS</b>	
NET ASSETS Beginning of Year	1,211
NET ASSETS End of Year	<u>\$ 198,772</u>

**Oxford House, Inc.**  
**FY 2009 Expenses**  
**By Category and Function**

Expense Item	State/Local House Program	Management And General	Total Ex- penses
Salaries	\$1,057,826	\$ 118,231	\$ 1,176,057
Payroll Taxes	81,882	17,488	99,370
Fringe Benefits	<u>240,169</u>	<u>41,473</u>	<u>281,642</u>
Total Personnel	<u>1,379,877</u>	<u>177,192</u>	<u>1,557,069</u>
Travel & Lodging	638,385	14,568	652,953
Convention Expense	135,556		135,556
Telephone/Facsimile	64,309	8,498	72,807
Rent	71,028	40,452	111,480
Outreach Program	60,124		60,124
Professional Fees	22,535	26,585	49,437
Meeting/Conference	15,888	2,178	18,066
Office Supplies	25,568	6,135	31,703
Printing/Publications	17,601	2,642	20,243
Postage & Delivery	5,229	13,854	19,083
Depreciation	12,729	1,500	14,229
Repairs/Maintenance	108	696	804
Payroll Services	3,584	4,585	8,169
Insurance		2,392	2,392
Interest Expense		1,669	1,669
Taxes/Licenses	4,974	1,310	6,284
Dues / Subscriptions		1,210	1,210
Bank Charges		1,485	1,485
Total Expenses	<u>\$2,411,767</u>	<u>\$306,951</u>	<u>\$2,719,035<sup>7</sup></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 2009 houses contributed over \$218,000.

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. 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 \$32,000 was used for in-house revolving loan fund in FY 2009.

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](mailto:Info@oxfordhouse.org) to receive a copy of the audit. The 990 is available to download at [www.oxfordhouse.org](http://www.oxfordhouse.org) under "About Us/Finances".

<sup>6</sup> 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.

<sup>7</sup> Includes \$317 total fundraising expenses in addition to program expenses and M&G expenses.

**OXFORD HOUSE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2009**

Note 1 - 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 its Statement of Financial Accounting standards (SFAS) No. 117, Financial Statements of Not-for-Profit organizations. Under SFAS No. 117, Oxford House, Inc. is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily 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 \$100 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 SFAS No. 116, Accounting for Contributions Received and Contributions Made. In accordance with SFAS No. 116, 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, 2009.

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 5) 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.

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, 2009 loans receivable were \$63,486, net of allowance of \$10,390.

Note 3 – Accrued Salaries

Included in accrued salaries are salaries owed to officers of Oxford House, Inc. as follows:

J. Paul Molloy, President	<u>\$ 103,810</u>
	<u>\$ 103,810</u>

Note 4 – 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 June 2008 and is scheduled to terminate June 30, 2013.

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, 2008:

2010	107,211
2011	110,418
2012	113,721
2013	<u>117,122</u>
	<u>\$ 448,472</u>

Lease expense for the year ended June 30, 2009 approximated \$111,000.

Note 5 – 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 \$368,000 at June 30, 2009.

Note 6 - 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 7 – Line of Credit

Oxford House, Inc. has a line of credit note of \$60,000 of which \$17,090 is outstanding at June 30, 2009. The note is secured by a \$60,000 certificate of deposit, which is included in restricted cash appearing on the statement of financial position. The interest rate is the prime rate minus 1%, currently 2.25%. Oxford House, Inc. is to make minimum monthly payments of interest only. The note is considered payable on demand.

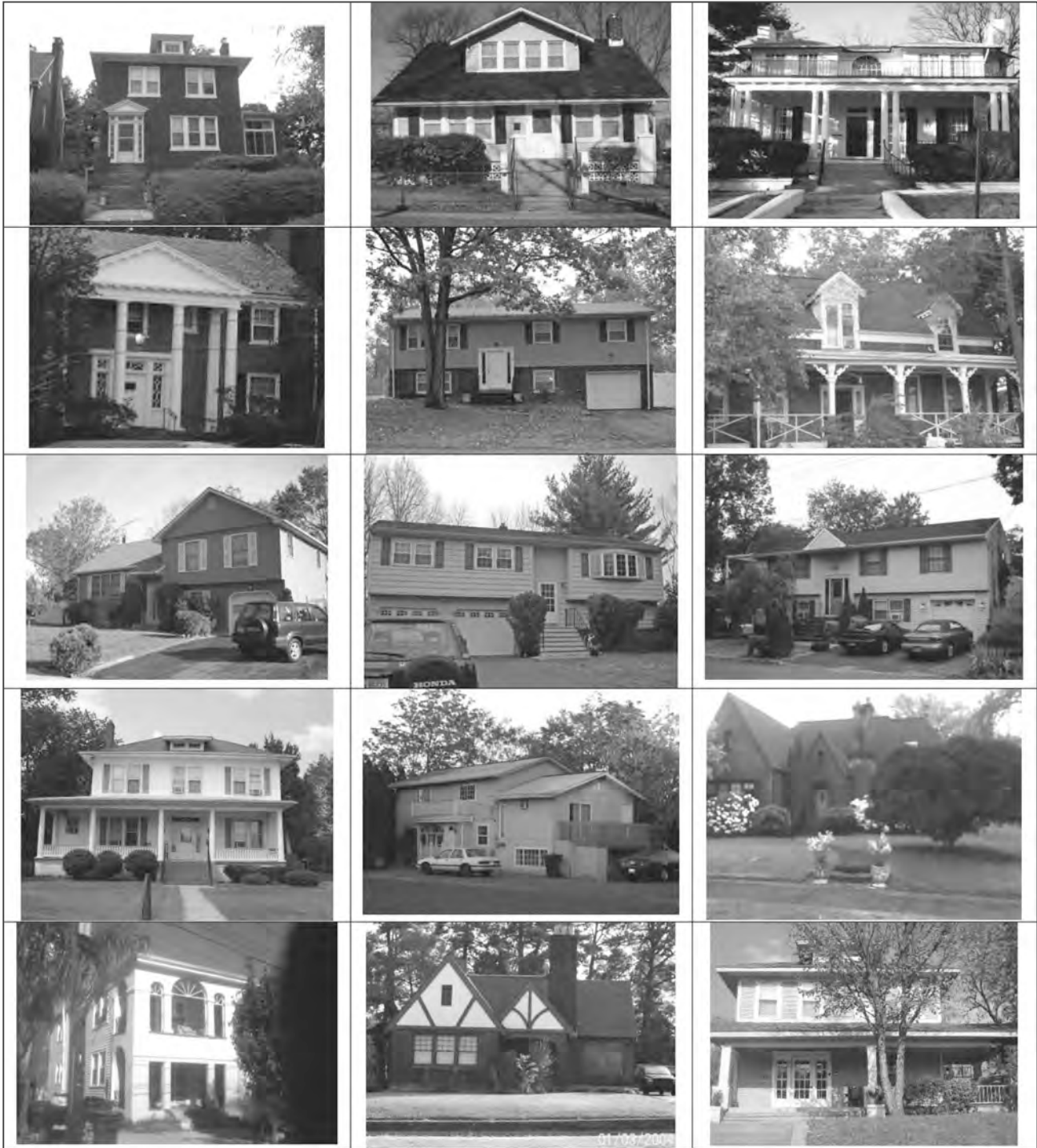
**Note:** Auditors full report, including supplemental single state audits, can be obtained with an e-mail request [www.info@oxfordhouse.org](mailto:www.info@oxfordhouse.org) or by writing to Oxford House, Inc. 1010 Wayne Avenue, Suite 300, Silver Spring, Maryland 20910.



Pictured above Jerry Conlon, Board Chairman, recognizing Hawaii Houses at Convention for voluntarily contributing \$50 a month to help expand Oxford Houses. Overall, residents of Oxford House contributed more than \$200,000 during FY 2009. Conlon called up representatives from all the states that make the voluntary contribution. The houses that do \$50 each month are given a certificate of appreciation by the Board.



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



At the end of 2009, it would take 93 pages like this one to show pictures all of the Oxford Houses in the United States Network of Oxford Houses. The fifteen Oxford Houses above are typical of all Oxford Houses. Each Oxford House™ is a good house in a good neighborhood and more than 10,068 recovering individuals are living in the national network of 1,397 Oxford Houses at any given time. During the course of the year, nearly 30,000 individuals lived in the houses with more than 80% staying long enough to master sobriety comfortable enough to avoid relapse. Visit the Oxford House website: [www.oxfordhouse.org](http://www.oxfordhouse.org) to see more.

# Oxford House™

1975-2010

*35 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

*Oxford House World Services*

1010 Wayne Avenue, Suite 300  
Silver Spring, Maryland 20910

Telephone 301-587-2916

Facsimile 301-589-0302

E-Mail [Info@oxfordhouse.org](mailto:Info@oxfordhouse.org)

Web Site: [www.oxfordhouse.org](http://www.oxfordhouse.org)