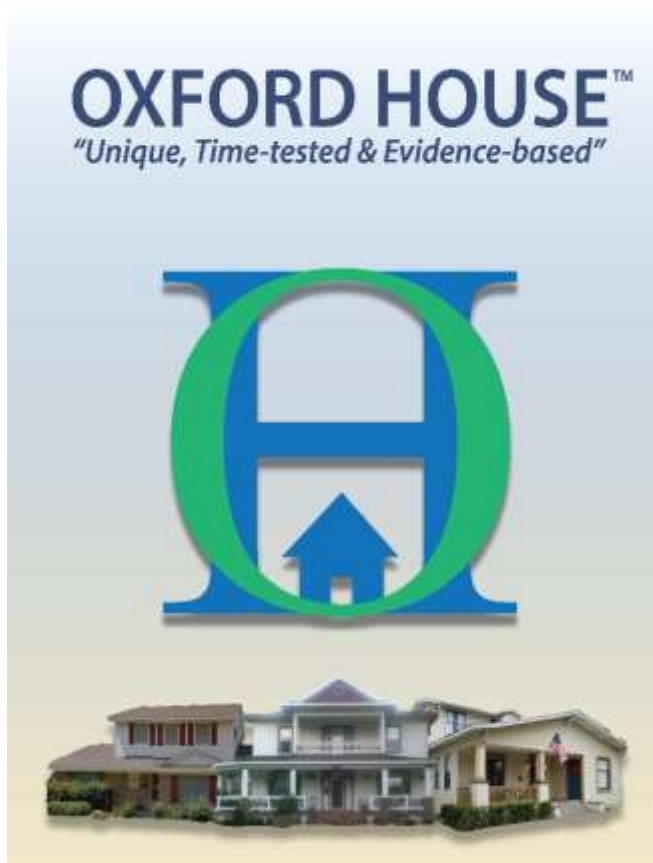


Oxford House, Inc.
Annual Report
Fiscal Year 2017

Oxford HouseTM

Self-run, Self-supported Recovery Housing



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 2,200 individual Oxford Houses. Its central office is at 1010 Wayne Avenue, Suite 300, Silver Spring, Maryland 20910. The program can be developed on a national scale at very low cost and it supports recovery without relapse.

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 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 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 and, 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 43 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 2017, there were 2,287 Oxford Houses with 18,025 beds throughout the country.

Oxford House is listed as a best practice on the National Registry of Evidence-based Programs and Practices [NREPP] and was singled out as an effective tool for long-term recovery in the 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, 2018

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TABLE OF CONTENTS



National Profile 2

Message from the CEO 3

Management Report 5

Oxford House: Unique, Time-tested, Evidence-based 8

Opioid Addiction – What’s Needed Now 10



Meeting Demand Through Technology and Expansion12

The Oxford House Family 14

Houses Helping Houses – And Giving Back 18

Trust But Teach 20

Highlights of the 2017 Oxford House World Convention 22



FY 2017 Financials 28

A Few Houses in the Oxford House Network 32

NEXT OXFORD HOUSE CONVENTION

**Kansas City, Missouri
October 4-7, 2018**



NATIONAL PROFILE

Good Houses in Good Neighborhoods



**Oxford House – Hampton
Hampton, Virginia**

Oxford House – Hampton (pictured at the left) is an Oxford House for 8 men that was established in Hampton, Virginia on February 1, 1998. It is one of 137 Oxford Houses in Virginia. It has been home to 320 men in recovery. Only 64 have had to leave because of relapse. It is an example of how Oxford Houses continue year after year.

There are houses for men; houses for women; houses for women with children and houses for men with children but there are no co-ed houses.

Creating an Effective National Recovery Network One House at a Time

National Oxford House Resident Profile¹

Number of Women's Houses:	669	Recovery Beds for Women:	5,153
Number of Houses for Men:	1,618	Recovery Beds for Men:	12,872
National Network of Houses:	2,287	Total Recovery Beds:	18,025
Number of States with Houses:	44	Cities with Oxford Houses:	481
Average Age of Residents	37.2	Percent Veterans	12%
Average Educational Level	12.2 yrs.	Range of Educational Level	3-19 yrs.
Average Cost/Person Per Week:	\$123	Average Rent/Group/Month	\$1,526
Residents Working:	87%	Average Monthly Earnings:	\$1,895
Percent Addicted to Both Drugs and Alcohol:	79%	Percent Addicted to Only Alcohol:	21%
Race --		Marital Status --	
White;	69%	Never Married	48%
Black;	22%	Separated	18%
Other	9%	Divorced	28%
		Married	5%
		Widowed	1%
Prior Homelessness:	68%	Average Time Homeless:	7.9 Mos.
Prior Jail:	77%	Average Jail Time:	13.4 Mos.
Average AA or NA Meetings Per Week:	5.2	Percent Going To Counseling <u>plus</u> AA/NA:	45%
Average Length of Sobriety of House Residents:	13.4 Mos.	Residents Expelled Because of Relapse:	21.9%
Average Length of Stay In an Oxford House:	8.3 Mos.	Average No. of Applicants For Each Vacant Bed:	4.4

¹ As of June 30, 2017 based on standard OHI survey and house reports. Number of houses and beds is as of December 31, 2017.

Oxford House Fast Facts

- **18,025 - Number of Oxford Recovery Beds**
- **2,287 - Number of Oxford Houses as of December 31, 2017**
- **44 - Number of States having Oxford Houses**
- **31 - Number of Oxford Houses in D.C. [269 Beds]**
- **481 - Number of towns and cities having Oxford Houses**
- **\$1,895 - Average monthly income of residents**
- **\$123 - Average weekly share of expenses paid by Oxford residents**
- **68% of Oxford House residents had been homeless for an average total length of 7.9 months**
- **79% addicted to drugs and alcohol - 21% just alcohol**
- **77% had done jail time connected to their addiction**
- **13.4 months - Average length of sobriety**
- **263 - New Oxford Houses started CY 2017 (101 houses for women; 162 for men)**
- **2,106 Total Added Recovery Beds (1,340 for men; 766 for women).**
- **CY 2017 residents: 37,852 with 21.9% expelled because of relapse.**

MESSAGE FROM THE CEO

Oxford House™ is now 43 years old and has become a significant tool for helping people to achieve long-term recovery from alcoholism and drug addiction. I am often asked how the Oxford House™ success has been achieved. I always start my response by pointing out that the organization has kept its focus solely on recovery by not owning any real estate or accumulating wealth. Even well-meaning folks can mess things up by trying to make a buck by exploiting addiction and recovery. From its beginning, Oxford House™ has avoided that temptation.

The second wise decision of Oxford House™ was to rely upon organizational forms that are embedded in American culture – egalitarianism, participatory democracy and self-help. The only good thing that can be said about alcoholism and drug addiction is that they are egalitarian diseases. Early on, Oxford House™ residents celebrated the egalitarian nature of recovery. Participatory democracy lies at the heart of the American Constitution and the quest for a more perfect union. Self-help sparked by the American Revolution weaves itself throughout American history. De Tocqueville marveled at it in 1835, particularly with respect to temperance movements, and self-help continues to be at the heart of Alcoholics Anonymous and Narcotics Anonymous.

The Oxford House Manual® sets forth a pragmatic application of these basic values. It was written in 1975. It has become the touchstone for thousands of recovering individuals who decided to rent an ordinary house, equally share household expenses and manage its operations in a way to build self-confidence and support long-term recovery. Old-timers in AA always used to say, “All you need to start a new AA meeting is two folks with a resentment and a coffee pot.” Starting a new Oxford House requires a little more structure. The OHI central service office works with Houses to explain and implement the structure.

The charter becomes the entry point for any group starting an Oxford House™. In addition to requiring that the group accommodate six or more individuals, the charter sets forth three basic conditions: [1] the group must be democratically self-run following the process and procedures in the Oxford House Manual®; [2] the group must be financially self-supporting; and [3] the group must immediately expel any resident who returns to drinking alcohol or using illicit drugs. Any group of six or more recovering persons can be granted a charter and there is no charge. The charter is granted initially on a probationary basis and, during the first six months, the group must demonstrate that it understands and abides by the Oxford House system of operations. Once a new group understands the system, it is granted a permanent charter that can only be revoked for noncompliance.

Every resident pays an equal share of household expenses and has an equal voice in all house operations. Five House officers are elected by the group. They serve for only six months at a time. The weekly business meeting becomes the forum for resolving all issues and disputes that may arise from a group of people living together and includes expulsion of residents who relapse and acceptance of new residents. If you ask ten residents, “Who manages the house?,” nine out of ten will respond, “Oh, the ‘inmates run the asylum’ and it works just fine, thank you.”

House Officers

President
Secretary
Treasurer
Comptroller
Chore Coordinator

The self-run feature of Oxford Houses has two advantages: [1] it saves expenses by not having a paid staff in the House, and [2] it helps build self-esteem because residents take pride in being responsible for running the House themselves. The self-esteem is

particularly important because it is tied to recovery and helps convince the resident that recovery has benefits worth keeping. Similarly, the bill-paying and socialization among house residents provide recovery support. Above all, residents can live in an Oxford House™ for as long as they want provided they do not drink or use illicit drugs and pay their equal share of expenses. This is vital because different individuals take different lengths of time to become comfortable enough in recovery to avoid relapse. In 1975, the halfway house that preceded Oxford House™ had a six-month time limit. During the first three months that I was a resident in that halfway house, eleven residents had to leave because their time was up and ten of the eleven relapsed within 30 days! Because of that experience, we decided that Oxford Houses would have no arbitrary time limits.

Today, it is pretty easy to find a good house to rent in a nice neighborhood but it was not easy in the early days of Oxford House™ expansion. Fortunately, Oxford House, Inc. [OHI], the national umbrella organization, has provided the oversight and civil rights protection needed to put Oxford Houses in good neighborhoods. The first five houses we opened in New Jersey all faced NIMBY [not-in-my-back-yard] zoning problems. It was only through the persistence of OHI that litigation resolved those cases in our favor. As a matter of fact, in 1995, a Washington State case – *City of Edmonds, WA v. Oxford House, Inc.* reached the US Supreme Court. OHI won and has won similar civil rights cases with respect to landlord insurance coverage and fire safety issues.

The legal expertise of OHI makes certain that leases are lawful, federal tax identification numbers are obtained, house bank accounts are opened, utility services are provided in the name of the house and civil rights are protected across the board. Any one of these matters could thwart development of successful recovery houses. Fortunately, OHI has built a good knowledge base and has a ready supply of highly skilled legal experts.

OHI employs and trains outreach workers who educate communities, health care providers, correction personnel and local recovery communities about the nuts and bolts of Oxford Houses and serve as resource persons to Oxford House residents. Houses also form chapters and state associations. Education is always ongoing and a side benefit is community-building and socialization. Most of us have been ‘bowling alone’ for too long and need to become part of a larger social community.

Once a year, residents and alumni from around the country gather for an annual convention. Some call it a family reunion. More than 1,200 Oxford House residents and alumni attended the 2017 Convention. All brought the good news of long-term recovery back home and shared the excitement of being part of important research projects on recovery. Most realized that living in an Oxford House makes recovery fun. If recovery were not fun, what alcoholic or drug addict would ever stay in recovery?

As a nation, we are beginning to grapple with the opioid crisis. Opioid addiction is not new to Oxford House. A section in this report entitled, “Opioid Addiction – What’s Needed Now,” identifies lessons learned from our 43-year history that apply to the current crisis. Other sections of the report explain the Oxford House program in more detail, present excerpts from personal stories from residents and alumni, show highlights of the 2017 convention and present the FY2017 financial report. We are proud of our program and all of our Oxford House residents and alumni. We hope you are also.



MANAGEMENT REPORT

FY 2017 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. OHI's 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 2,106 new recovery beds as OHI chartered 263 new Oxford Houses in 30 states and the District of Columbia – 101 for women and 162 for men. At the end of calendar year 2017, the Oxford House network consisted of a total of 2,287 individual Oxford Houses with a combined total of 18,025 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 [4¢ of each dollar]. Oxford Houses residents spend about \$16 to operate individual Oxford Houses for every \$1 spent by OHI – the umbrella organization.



In FY 2017, OHI had development contracts with eighteen states and DC 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 funds and outreach worker support. On a voluntary basis, many individual Oxford Houses and chapters contribute to OHI. In FY 2017, individual Oxford Houses and chapters contributed a total of \$545,954 in voluntary contributions toward OHI's total expenditures of \$7,240,189 or 7.5% of total expenditures.

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 support expansion of the network of Oxford Houses. The new Oxford Houses added in 2017 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.

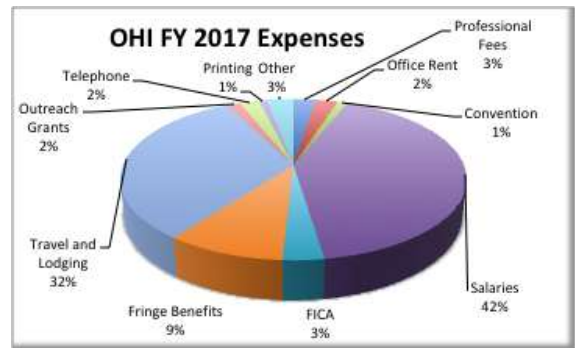
Financial Results

Overall, OHI finances remained stable 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 2017 were \$250,015 less than income.



Total income in FY 2017 was \$7,490,205. 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 \$608,331 include \$545,954 voluntarily made by about 27% of the individual Oxford Houses either directly or through the mutually-supportive chapters.

OHI’s expenditures for FY 2017 totaled \$7,240,189. The allocation of expenditures is shown in the chart at the right. Of every dollar spent, 96¢ goes directly to program costs to expand and maintain the network of Oxford Houses. Personnel, travel and telephone costs account for nearly 63% 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 2017, OHI outreach workers operated in 34 states and Ghana. Oxford Houses are located in 44 states, DC, and four other countries.

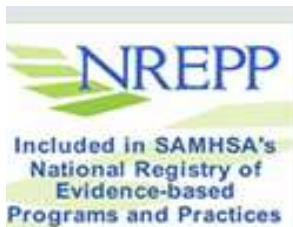


A copy of the audited financials and notes to financials is included at the end of this report.

Transparency and Research

OHI conducts internal surveys and encourages academic third-party research. 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 researchers 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 the Oxford House Program



From 2011, until it stopped publishing the Registry, the federal government (SAMHSA) listed the Oxford House program as a best practice on the National Registry of Evidence-based Programs and Practices [NREPP]. Also, Oxford House was the only recovery housing program singled out as an effective tool for recovery in the 2016 Surgeon General’s report. While the 1988 Anti-Drug Abuse Act [PL 100-690] represented political acceptance of Oxford House, the recognition in the NREPP listing and Surgeon General’s report 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 action under the Federal Fair Housing Act and the Americans with Disabilities Act to protect the civil rights of residents. It has now been twenty-three 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 2017, OHI was actively engaged in numerous cases to protect the legal right of recovering individuals to live together as a family in order to increase their opportunity for long-term recovery. Fortunately, OHI's attorneys' fees and court costs were minimal.

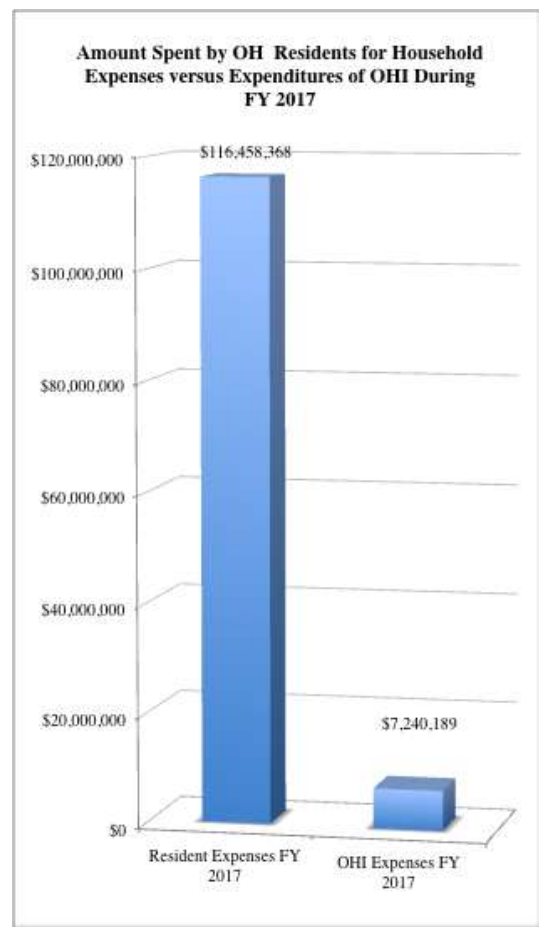
Since expansion of Oxford House began in 1989, OHI has defended the rights of recovering individuals to live in good neighborhoods just like ordinary families. Such individuals are protected from discrimination under the 1988 Amendments to the Federal Fair Housing Act and the Americans with Disabilities Act. OHI has been a leader in defining the extent and scope of those rights by vigorously defending civil rights. It will 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 2018 Focus

In FY 2018, 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. We will also emphasize 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, more Oxford Houses will make it possible to slow down the cycling 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. 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 [7%] of those needing primary treatment get it and, of those who get treatment, many are repeat consumers. SAMHSA's Treatment Episode Data Set (TEDS) shows that 60% of those in treatment have had 3 or more prior treatment episodes and 15% have had five or more. Making recovery without relapse the norm can have a huge positive result. More Oxford Houses can help make that outcome a reality.

The 2018 Oxford House World Convention will be held in Kansas City, Missouri from October 4-7. 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.



Oxford House™: Unique, Time-tested and Evidence-based – The 2017 Oxford House Convention Theme –

The 2017 Oxford House convention theme summed up the key characteristics of the Oxford House™ program. These characteristics contribute to the continued success of Oxford House.

Unique. Built into the Oxford House culture is a belief that recovery without relapse should be the normal outcome of addiction treatment – not the exception. Behind that belief is the realization that behavior change takes time, peer support and a safe place to live. How Oxford House fulfills that expectation is what makes Oxford House unique.

In 1987, when Oxford House was celebrating its 12th anniversary, Dr. Bill Spillane released a study he had done involving 1,280 recovering individuals who had lived in the 13 original Oxford Houses. He reported that 80% of those individuals had self-reported that they had stayed clean and sober from the time they had moved into an Oxford House. That finding was the first verification that somehow the Oxford House concept and system of operation was producing results that were substantially better than traditional ways of dealing with alcoholism, drug addiction and co-occurring mental illness.

The American tradition of individual freedom underlies the faith, respect and responsibility that the Oxford House concept puts on the recovering individuals who run and financially support the individual Oxford Houses. That self-run, self-supported principle of Oxford House is what makes it work and makes widespread development of networks of Oxford House economically feasible.

Last year alone, Oxford House, Inc. [OHI] – the 501[c][3] umbrella organization of all Oxford Houses – operated on a budget of about \$7.2 million dollars while the men and women living in the national network of Oxford Houses paid landlords, utilities and other household expenses about \$116 million. The OHI budget includes outreach support to start Oxford Houses but residents themselves cover all the expenses of their House. The self-support principle of Oxford House™ coupled with the fact that it owns no real property and relies solely on the rental of ordinary single-family houses is the primary reason that the supply of beds can be expanded to meet the demand.

From the beginning, Oxford House™ has emphasized the importance of self-determination consistent with responsibility. Each Oxford House obtains a charter that spells out three general conditions each Oxford House must follow to achieve the maintenance of an alcohol and drug-free living environment; namely, each House must be democratically self-run and financially self-supported – and the residents must immediately expel any resident who relapses.

Participatory democracy is key to individual freedom, including recovery from the dependence on alcohol or illicit drugs, and it is egalitarian. The Oxford House population is diverse and it features egalitarianism as a core principle – each individual has an equal vote, officers are term-limited and household expenses are divided equally among all residents. This participatory democracy minimizes a “we versus them” attitude that can detract from a focus on recovery but is common in recovery settings that have house managers or other staff in charge.

Time-tested. In 1975, when Oxford House™ began, there was considerable doubt about whether the Oxford House™ concept and system of operation would work. Few believed that the “inmates could run the asylum.” Time has shown the Oxford House™ concept and system of operation has worked well. Over the last 43 years, about 400,000 individuals have lived in an Oxford House and most have stayed clean and sober.

It has been demonstrated that Oxford Houses can be started anywhere and work well. Today, 44 states have Oxford Houses and many states and DC support expansion by providing Oxford House, Inc. – the nonprofit umbrella organization for all Oxford Houses – with grants to pay trained outreach workers to help local recovering individuals learn the Oxford House concept and system of operation. All outreach workers are alumni of Oxford Houses. States that provide financial support for expansion tend to have the most Oxford Houses.

The Oxford House™ concept has been tested in court many times – successfully. OHI has proven that Oxford House residents renting a house to live together in support of recovery are entitled to be treated the same as an ordinary family. The 1995 Supreme Court case, *City of Edmonds, WA v. Oxford House, Inc.* established that Oxford House residents are a protected class under the Federal Fair Housing Act and entitled to accommodation with respect to locating Oxford Houses in areas zoned for single families. OHI has also defended the rights of Oxford Houses when it comes to fire safety and property insurance. Individuals recovering from addiction who live together in order to help each other master recovery are protected from discrimination as a direct result of Oxford House, Inc.’s legal actions. Oxford House™ has a long history of time-tested success both in sustained recovery without relapse and in the protection of civil rights.

Evidence-based. Oxford House™ has set the standard for making long-term recovery the norm – not the exception. Very early on, the residents of Oxford House invited researchers to study the program and assess its outcomes. This notion of being open about recovery was uncommon at the time; after all, ‘anonymity’ was and is the hallmark of the 12-Step programs. Early on, Oxford House residents chose to be open about their program and recovery and the result has been the wealth of research that has been done on the program and its people. Both NIDA and NIAAA have sponsored comprehensive research by DePaul University in Chicago. In 2011, the federal government [SAMHSA] listed Oxford House as a best practice on the National Registry of Evidence-based Practice and Procedures [NREPP]. Furthermore, Oxford House™ was the only recovery housing program singled out in the 2016 Surgeon General’s report.

In addition to formal research, the personal stories that appear in the convention program and on the Oxford House website give testimony to how individuals have used Oxford House to transform themselves into achieving solid recovery for the long term. Excerpts from the 2017 stories are included in this report in the section entitled, “The Oxford House Family.”

The Blueprint for Success (below) was the theme of the 2016 convention. It ties together the characteristics of Oxford Houses that make them “Unique, Time-tested and Evidence-based.”



OPIOID ADDICTION – WHAT’S NEEDED NOW

Recovery from Opioid Addiction in Oxford Houses – Lessons Learned Over 43 Years

Opioid addiction today has reached crisis proportions and the nation is rightly engaged in considering what can be done to stop the epidemic and rescue those who have become addicted to opioids. To those of us in Oxford House, it’s not a new issue.

Andrea G. had been using heroin for twenty-one years before she was accepted into an Oxford House in 1988. When the CBS “60 Minutes” program interviewed her at her Oxford House in 1991, she had been clean for two years. [*The “60 Minutes” segment can be viewed from the home page of the Oxford House website at www.oxfordhouse.org.*] Twenty-seven years later, Andrea is still clean and sober.

Since its beginnings in 1975, Oxford Houses have been home to residents recovering from addiction to opioids and most of them have achieved long-term recovery. The Oxford House experience may be useful in helping to inform policymakers and others on the elements of successful recovery and what’s needed to support long-term recovery for individuals addicted to opioids – as well as those addicted to alcohol and other illicit drugs – alone or in combination. The issues are the same.

It is important to recognize what it takes to achieve recovery – whether the addiction is to alcohol or illicit drugs, including opioids. Unfortunately, there’s no pill or magic wand that can guarantee long-term recovery; it’s a long-term project for most people and that fact needs to be more widely acknowledged. It is generally accepted that there are four tools to foster recovery: (1) intervention; (2) detoxification (ending physical dependency); (3) treatment (motivation and education); and (4) long-term behavior change. All of these tools are important and are particularly effective when used together.

Traditionally, there has been support for the first three stages of recovery but the weakest link is support for environments that foster long-term behavior change; and, too often, the long-term behavioral change element of recovery is neglected altogether. While 12-Step programs have long preached the need to ‘change people, places and things’, that is easier said than done. More often than not, individuals completing the treatment stage of recovery go back to where they came from before treatment. Returning ‘home’ may thwart even the most highly-motivated individual. For example, the recovering incarcerated person re-entering society who goes back to his or her old neighborhood is likely to be welcomed home only by his or her former drug dealer. That’s a recipe for relapse. Oxford Houses, which provide the opportunity for recovering individuals to live together to support each other’s recovery work, are highly successful in fostering long-term recovery without relapse. While relapses may occur, they occur far, far less than if residents return to the place they used to call ‘home.’

The skyrocketing use and abuse of opioids has resulted in overdoses and many of them are fatal. Fortunately, Narcan (Naloxone) is an antidote that has immediate results and it has been made widely available. Oxford Houses stock Narcan and residents are trained in its use. While most Oxford House residents don’t relapse, some do, and Narcan is a rescue drug. But, while Narcan can save lives, it’s only a temporary fix and many addicts will continue using opioids after detoxification unless they get more sustained recovery support. Drugs such as Suboxone (buprenorphine/naloxone) curb cravings and reduce physical withdrawal symptoms and they can be a path to longer-term recovery. While the medical profession tends to support Medically-Assisted Treatment (MAT), many in the recovery community have their doubts and question whether this approach supports real recovery or serves mainly as a method of harm reduction for the wider community.

Oxford House residents will generally accept individuals using MAT and some residents may encourage the MAT recipient to taper off the use of these drugs. All Oxford House residents will monitor MAT users to make certain that they stay on their prescription. The fact is that MAT has not been widely used long

enough to know how well it works in supporting sustained long-term recovery. DePaul University researchers have just begun a longitudinal study of Oxford House residents using MAT to determine how they do over the longer term. Since over half of the more than 18,000 Oxford House residents have used heroin and other opioids, the study should provide meaningful research.

Oxford House residents and alumni addicted to opioids achieve long-term recovery mainly because Oxford Houses offer peer support, a time-tested structure and no time limits on residency. Most formal treatment programs are too short to permit an individual to become ‘comfortable’ in sobriety during that time. As noted in the table to the right, many people need treatment and many have already gone through treatment many times. Recovery requires long-term behavior change such as becomes possible by living in an Oxford House for as long as needed. Oxford House™ living builds self-confidence in recovery. Residents share in the elected leadership of their House, participate in Oxford House social activities, get a job, mentor new residents voted into the House, and abstain from the use of alcohol and illicit drugs. These Oxford House characteristics work to support long-term recovery for most Oxford House residents, whether or not they also use medication to support recovery.

Oxford House™ is unique among recovery houses. Its system of operations has been time-tested and its principle of not owning real property or accumulating wealth has shielded it from the malpractice of many recovery home operators whose acceptance of kickbacks, overcharges, poor management and indifference to sobriety standards often plague ordinary recovery house operations. Some are obviously fly-by-night folks anxious to make money. These operations need to be challenged but that needs to be done in a way that protects the proven method of programs like Oxford House™ that rely on being treated as ordinary families and not as treatment facilities that require certification and regulation.

As a nation we need to do more to prevent addiction – both through education and through demand reduction – and we also need to give more thought to programs and policies that support long-term recovery without relapse. Narcan is a rescue drug for the short term; long-term recovery requires behavior change. As a nation, we need to recognize and support programs that achieve that long-term change.

Oxford House residents and alumni, including many who have been addicted to opioids, have proven the value of peer-supported recovery housing that requires residents to govern themselves, pay their own rent and expenses, and immediately expel any House resident who relapses. The program works.

<p style="text-align: center;">ALCOHOLISM AND DRUG ADDICTION</p> <ul style="list-style-type: none">• About 25 million Americans are actively addicted to drugs with 17 million alcoholics, 2 million opioid addict and another 6 million addicted to other drugs. (SAMHSA)• 22.7 million persons aged 18 or older needed treatment for an illicit drug or alcohol abuse problem in 2013 (8.6 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 and 14% five times or more. [TEDS] <p style="text-align: center;">Oxford Houses Provide a Low-Cost, Highly Effective Method of Reducing Recidivism</p>

RECOVERY WITHOUT RELAPSE WORKS OXFORD HOUSE RESIDENTS PROVE THAT DAILY

MEETING DEMAND THROUGH TECHNOLOGY AND EXPANSION

While there are currently over 2,200 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. As a society, we have begun to recognize that extended incarceration is a very costly and not very effective way to deal with individuals with alcoholism and drug addiction. Effective recovery housing options that support long-term recovery are needed now more than ever.

OHI seeks to meet the demand for recovery housing through technology and expansion. Technology permits immediate access to Oxford House vacancy information. Expansion creates new Oxford Houses in areas where demand exceeds the supply of existing beds. Both are critical elements for meeting demand since the need for Oxford House living far exceeds the current number of Oxford Houses.

Technology. Existing vacancies in most areas fill up very quickly. First, it is in the personal interest of every member of an Oxford House to have no empty beds in their Oxford House since all expenses are shared equally and the current residents will each pay more until a vacancy is filled. Second, there is a very large contingent of individuals newly in recovery who want and can benefit from living in an Oxford House. What works to meld the needs of the existing House residents and the applicants is modern technology.

OHI has adopted a centralized web-based vacancy system that enables real-time checking for vacancies. OHI’s central office keeps track of vacancies throughout the network of more than 2,200 houses because cell phones and texting exist. Every Oxford House makes sure that the OHI central office has the cell phone number of one of its residents – usually the elected House secretary. Twice a week, the designated person gets a text message asking, “How many vacancies does your house have?” and within an hour following the weekly business meeting of particular house, a new text message asks whether the vacancy was filled. Any treatment provider or person interested in living in an Oxford House can go to the website: www.oxfordvacancies.com and check on the interactive site to find out where the vacancies are. For example, Spokane, Washington has 28 Oxford Houses. On January 3, 2018 only 10 of those houses had vacancies – as shown in the webpage picture below.

This ease of data access enables providers and others to have reliable knowledge about where vacancies exist and also provides information on how to apply for acceptance into a particular house. This is just one of the many techniques OHI has developed over its 43-year history to make Oxford Houses an important tool to enable society to make real progress in combating the national problem of alcoholism, drug addiction and co-occurring mental illness – thanks to technology and keeping things simple.

House Name	Gender	City	House #	County	Contact	Contact #	Interviews	Capacity	Vacancies	Distance	Last Updated
Adcock	M	Spokane	(509) 290-5428	Spokane	Kevin	(509) 840-0345	Sun 7:30pm	8	1	Enter a location	01/01/2018 3:03PM
Barnett	M	Spokane	(509) 315-5149	Spokane	Austy	(509) 964-6438	Sun 7:00pm	8	1	Enter a location	01/01/2018 3:06PM
Cannon	W	Spokane	(509) 474-0890	Spokane	Carly	(509) 474-0898	Sun 8:00am	8	4	Enter a location	12/17/2017 7:54AM
Carlin	W	Spokane	(509) 443-5946	Spokane	Men	(509) 342-8328	Sat 8:00pm	7	5	Enter a location	01/02/2018 3:03PM
Chisham Hills	M	Spokane Valley	(509) 413-2451	Spokane	Walter	(509) 558-0454	Sun 7:00pm	8	1	Enter a location	01/01/2018 7:13PM
Heers	M	Spokane	(509) 458-6221	Spokane	Dan	(509) 218-1285	Sun 7:00pm	7	1	Enter a location	01/02/2018 10:36AM
Hiward	W	Spokane	(509) 308-2973	Spokane	Corina	(509) 217-5235	Sun 8:00pm	7	2	Enter a location	01/02/2018 3:00PM
Ruth Park	WC	Spokane	(509) 413-1832	Spokane	Lori	(509) 218-4095	Sun 7:00pm	10	2	Enter a location	01/01/2018 4:24PM
Shawn Hill	WC	Spokane	(509) 473-8429	Spokane	Stephen	(509) 816-3685	Sat 7:00pm	8	4	Enter a location	01/03/2018 10:27PM
Tobias	MC	Spokane Valley	(509) 443-3604	Spokane	Kath	(509) 319-7992	Sun 4:00pm	10	2	Enter a location	01/01/2018 3:03PM

Expansion. Experience and research has 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. While replication of Oxford Houses is not cost-free, it is far cheaper than incarceration or more traditional fully-staffed housing facilities. While all Oxford Houses are self-supporting once established, there are initial start-up costs required for replication. Oxford House, Inc. has found that expansion of the network of Oxford Houses requires funding for start-up loans for Houses and for 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 start-up loans and technical assistance both are needed to develop strong statewide networks.

The box at the left shows typical development costs. Once a house has been established, the group living in the House pays all the 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	\$ 180,000
10% G&A [overhead]	<u>\$ 16,000</u>
TOTAL	\$ 232,000
24 Recovery Homes	
Revolving Start-Up Loan Fund @ \$6,000:	\$ 144,000
Eight Trained and Supervised Field Workers	\$ 720,000
10% G&A [overhead]	<u>\$ 64,000</u>
TOTAL	\$ 928,000
100 Recovery Homes	
Revolving Start-Up Loan Fund @ \$6,000:	\$ 600,000
Thirty Trained and Supervised Field Workers	\$2,700,000
10% G&A [overhead]	<u>\$ 240,000</u>
TOTAL	\$ 3,640,000

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 and 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; at the end of 2017, there were over 2,200 Oxford Houses.

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 currently has development contracts with 18 states and DC. At the end of CY2017, there were 2,287 houses in 44 states and DC; over two-thirds of all Oxford Houses are located in nine of the states that provide state funding to support replication. *[These states, along with the number of Oxford Houses and recovery beds in each, are shown in the table at right.]* Such expansion of the Oxford House network of Houses is available to any state but funding support is necessary. The one-time costs to start Oxford Houses are not great but the rewards are many for those who get the opportunity to live in Oxford Houses.

Key State	Number Of Houses	Recovery Beds
Washington	264	2,199
North Carolina	246	1,903
Oregon	184	1,498
Texas	233	1,807
New Jersey	147	1,178
Virginia	137	1,114
Louisiana	118	844
Oklahoma	109	467
Delaware	66	528

In the coming year, OHI hopes to open new Oxford Houses in more areas where demand is great but where Oxford Houses are not present. As noted in other sections, voluntary donations from Oxford House residents and alumni support some expansion, as do donations from other individuals. However, a broader presence requires at least a minimal financial commitment from the state to permit start-up loans and technical assistance to get new Oxford Houses going on the right track. Once started, they will be self-supporting.

Technology and expansion support together can go far in meeting the demand for more Oxford Houses.

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, about 400,000 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 2017 Oxford House Convention Program. The full versions can be found on the Oxford House website (www.oxfordhouse.org).

- I have been clean now for over 8 years. I owe this in a large part to the Oxford House I found early in my recovery. I am eternally grateful and hope that many more people are able to get the opportunity I had.I was lucky to be able to move into one on the day I left rehab. I had seen people leave rehab with nowhere safe to go and relapse the same day. I saw them wind up dead or in prison or lost back to the bleak existence of a using addict. I learned that the odds are stacked against us in early recovery and the consequences terrible. In that Oxford House, though, I saw guys who were staying clean and sober and working successful programs of recovery. Their example and support made it much easier for me to find and develop my own path in recovery.
Mike Hooten – Colorado



- Through my years in active addiction, I never took accountability of any of my actions – my first DUI, failing out of college, getting fired from multiple jobs, ruining relationships, and just burning any bridge that I could if I could gain something from it. ... The Oxford Houses taught me a great many things: responsibility, compassion for doing the next right thing, and how to work a program of recovery in all places of my life are just a few. More importantly, I was safe. The single most pertinent gift I have received while living in an Oxford House is accountability and the knowledge that I have to stay sober to live here. Without such a beautiful gift, I could not have made it this far and, maybe one day, I will be able to live a sober lifestyle where holding myself accountable is enough to stay sober.
Dominic – Mississippi

- This is how Oxford House is helping me. It's helping to keep me from relapsing. It keeps me from being homeless. It keeps me in check and gives me structure. I used to be homeless for many years. I get along with everyone at my house and it feels good to have some place to live. I don't have to worry about getting arrested and going to jail anymore. It's a safe place. I am an alcoholic and drug addict and I go to meetings every day. Everything is falling into place for me. I get off probation pretty soon. I finished treatment, I have nine months clean and sober. I love my life now.
David O. - Hawaii



- I have learned a lot along the way and I pass on what was freely given to me. I heard Paul Molloy say last year (at the convention) that you “come to Oxford for yourself but stay for others.” That is where I am today....drugs and alcohol aren't even in my thoughts today. Today, my goal is to pass on what I have learned and love others as I have been loved. I will always be indebted to Oxford and I would not be the same without my Oxford family.
Chris Curl - Louisiana

- I was convicted on ten felony counts and sentenced to the Mississippi Department of Corrections for 46 years. I obviously did not have to do this amount of time but I did 7 and a half years to the day and now I am on parole. When I got out I needed a place to go in the State of Mississippi so I found myself sitting in the living room of an Oxford House.Oxford House has given me a huge helping hand. It is the only thing that has gotten me to really start working a program of recovery; it put a roof over my head but that was just the beginning. I thank the people who have worked for Oxford House in order to make it a place of accountability, recovery, comradery and just overall unity for addicts like me.... I could go on about the amazing things that have happened and have started to happen in my life for pages but, to make it simple, I owe all that I have – physically, mentally, spiritually, and with my family – to Oxford House.
Michael McKeogh – Mississippi

- I was born in Greensboro, NC on January 4, 1951. My mother was a teacher and my father was a drug dealer and pimp. ... My father and his partners taught me the drug game; In 1970, I started the recovery process at different facilities and halfway houses. I have been on methadone programs, detox facilities and long-term treatment facilities all over the United States, but nothing was working. I loved heroin and did not care about anyone (especially myself ... I finally got clean in 1998 and stayed clean until 2004. That was when I was diagnosed with lupus of the bones and scleroderma., I was placed into a pain clinic where I was given morphine and oxycodone; I thought I had met Jesus! My high was now legal! NO MORE HAVING TO GO OUT AND HUSTLE! This “acceptable” relapse lasted until 2010. I had heard of Oxford House; I decided to see if an Oxford House would accept me. The problem was that I wanted that high feeling just one more time, before I finally stopped. I went to the hospital, received a shot of morphine with the correct paperwork and arrived at Oxford House Stateside where, of course, I tested positive. [They] told me to go to UNC Hospital and admit myself for 14 days and then reapply to another house. I did this and the addict that arrived in Chapel Hill April 14, 2010, is not the one that is here today. I needed to be in a structured living environment and Oxford House was there for me.
Angela V. – North Carolina

- I grew up in a drug-addicted/alcoholic household. I remember when I was really young, watching my dad snort lines of cocaine in the kitchen while I was eating my cereal and getting ready for school. I was anxious to grow up and be like him. I had every reason to believe that using and partying was a normal part of adult life. ... Towards the end of my active addiction, I was living in a tent and begging for money on street corners. I was in and out of jail and constantly violating my probation. Every few months, a friend would overdose and die. ... I spent 4 months in treatment.... As I got closer to my graduation date, I knew that I needed to have a strong aftercare plan. My counselor recommended Oxford House to me The guys at the house were so friendly and supportive. One resident even helped get me a job on my first day out of rehab! After being homeless for so many years, I appreciated having my own bed and dresser. I felt like I had a safe space to keep my belongings and did not have to worry about my things being stolen. ... I quickly became involved within my House and Chapter. I learned how to be responsible and accountable. I had forgery and fraud charges and yet my House made me the House Treasurer. Despite my hesitation at first, it was a great way for me to build trust with myself. I started becoming very passionate about Oxford because this program truly saved my life.

Austin D. – New Mexico (He is now an OHI outreach worker in NM)

- During my time in Oxford, I was able to develop a program for a life of recovery. That program consists of four main factors: having a sponsor, working the steps, attending meetings regularly, and partaking in service work. Living a life of recovery has granted me immense benefits. I have been living on my own for nearly a year, and it is the first time I have ever had my own place to live. I am a currently a senior at Western Oregon University, and I just recently got hired as the Family Housing Apartment Manager through the University. I have only been able to attain the life I have today because of my time in an Oxford House.

Jameson Collet – Oregon

- My sobriety date is 9/16/2007. When the time came for me to rotate out of my 4th treatment facility in October, 2007, I knew that I was going to need a place to live. My first choice was a really nice apartment complex for military veterans who are in recovery..... However, I didn’t have enough active duty time to qualify for the program. My treatment councilor suggested that I interview at Oxford House. Let me tell you, the last thing I wanted to do was go live with a bunch of other drunks and drug addicts under one roof. The picture I had in my head was of a dingy house, unkempt rooms and not much else from which to build a new life. Thankfully, I was able to listen and take the suggestion. I interviewed and was accepted. This was in late October 2007. I have served as an officer at the House, Chapter and State level. It has been a major part of my coming to terms with my addiction to alcohol and drugs. ..I have seen and dealt with things that I would have never been able to experience had I not taken the advice from my counselor who said, “I think you could benefit from living in an Oxford House.”

Kevin Copeland – Oklahoma



- I grew up in Minnesota. My greatest passion was and is hockey. It wasn't until after I had surgery that I found the demons in my life. It started with pills, and ended up with heroin. In December, 2014, my life changed. I made the conscious decision to enter Hazelden in Center City, MN. I was apprehensive and only wanted to do a 30-day program, and I knew for damn sure that I wouldn't go into one of those Sober Houses they talked about. Well, my mind opened and 30 days turned into 94, and a sober house turned into, "I can't stay clean here in Minnesota", and so, with closed eyes and stories, I landed in Portland, Oregon in an Oxford House I've gone to jails, detox centers, treatment centers, and other types of rehab facilities and shared about how Oxford House has changed my life. I am so grateful for Oxford because they have taught me how to do life, when I wasn't even sure if I was cleaning my room right. **Jenny B. – Oregon**

- I am a mother of three, a college graduate, a social worker and an alcoholic and drug addict in recovery. ... Once the disease progressed and drugs became involved, I lost it all.... I left my second round of treatment on May 1, 2015 and moved directly into Oxford House Holston. I had made prior attempts to get sober, but had never even heard of Oxford House. I saw this as my last chance. I made many mistakes early on, but stayed sober and kept trying. I've been blessed to open houses including the first women and children's Oxford House in Tennessee. My recovery life is incredible and Oxford is something I believe in very deeply. My life has been restored and in many ways is far better than I ever dreamed possible. **Shaunna Mellons – Tennessee**



- Potential and a backpack full of ill-fitting clothes. These were the only two things I had managed to hold on to by the time I moved into the McCartney House in Bend, Oregon in 2013 at the age of 24. I had just graduated rehab for the sixth time and had officially managed to burn every bridge behind me. There were only two options ahead: Oxford, or the homeless shelter. By the time I spent that first night on the couch in the McCartney House, I was a broken

man, living by instinct like an animal. My highest hope for the Oxford experience was to hold down a job and stay sober long enough for a good relapse. ...Before I even knew what was happening, it was nine months later. I had held a job the entire time, I was working steps with a sponsor, and I felt like I was finally free. Like I could do anything I put my mind to. I focused on paying off my debts and got myself back into school. ...Because of my sobriety I was able to maintain a 4.0 GPA in school, where I had failed and dropped out before, and attain a Bachelor's Degree *summa cum laude*. I also scored really high on my LSAT (all those people had been right, I really did have the aptitude to be a lawyer). The combination of all of this, along with the fact that I was able to write an exciting application essay due to the life I had lived before, during, and after Oxford, led to me not only getting accepted into law school but offered a scholarship! In 2013, Oxford House was the only place I had to go, and because of it I can go anywhere now. Thank you, Oxford! **Scott C. - Oregon**

- My life has been dysfunctional for as long as I can remember. It didn't seem to faze me that I had driven intoxicated, crashed, had to be hospitalized for weeks, and nearly died. Overdosing multiple times didn't slow me down. On August 11, 2015, my life forever changed when I was arrested for 36 felony drug charges. It wasn't until then that I realized I had hit rock bottom. I came to Charlotte in February of 2016 and I went to a treatment facility and then moved straight into an Oxford House.I didn't know what I was doing but, thank God, there were other people who did – people who were willing to show me the way. I was looking for stability and I found it there. I also found a family there. Since living in an Oxford House, I've found a new way to think and a new way to live. I regained my integrity, morals, and principles. I've been educated on recovery through others. ... Oxford House has shown me the importance of working with others and opened the door for me to give back what was so freely given to me. **Holly W. – North Carolina**

- I started using drugs and alcohol at a very young age and I attended my first rehab at age 17. Over the years, there were many more unsuccessful attempts to get my life under control. I tried long-term, short-term, halfway and every method of controlled using that my sick mind could come up with. ...I always ended up in the same situation – living in hotels, selling drugs and getting high. I went to treatment for 28 days in Nashville, TN, two hours from my hometown. ... While in treatment, [I learned] about Oxford House. My interview went well and I filled the House's last vacancy. There were nine of us there. I got a full-time job the day after treatment...I got more involved and after four months of being there, I became House President. I got a car. My life started getting better. Oxford House felt like home. ... I decided to ask someone about opening a House [in my home town and they agreed,]. I found a house and two months later I moved home to open Oxford House Onyx in Jackson on June 15, 2017. I am so blessed to be a part of Oxford House. It has not only given me a place to work on improving myself, it has given me the opportunity to offer that same safe place to other women. It has changed my life in ways I never expected and I am forever grateful. **Christina – Tennessee**

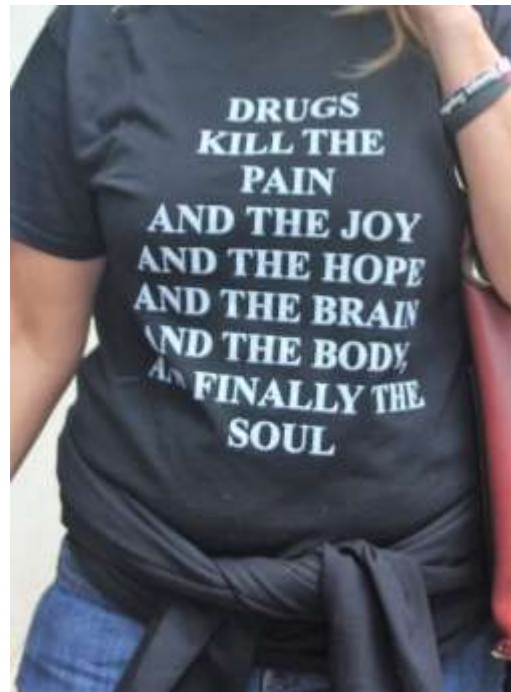
- I was accepted into an Oxford House without a dollar to my name. They worked with me while I found employment. The guys in the house actually fed me and helped me with rides to job interviews. ... I was home; a place where I was truly accepted and not judged based on my past. Two short weeks later, I attended my first Chapter meeting. ... Out of nowhere, I was nominated and voted in as the newest Chapter Officer. It was that moment, that leap of faith, that defined my experience in Oxford. I went on to become my Chapter's Chair and was even elected as a State Officer, highlighting the fun memories and experience Oxford can bring to those who truly seek it. I am so grateful for my experience with Oxford. Oxford House saved my life so now I can go help save others!
Tommy Chambers – Texas (He is now an OHI Outreach Worker in Virginia)

- After many failures and trips to jail and detox, I started going to Alcoholics Anonymous. The people in my home group saw me struggling and sent me to treatment in Sumter. After working the steps and being there for a year, I left and moved to this Oxford House. I'm grateful to call this place home and we have a very strong fellowship in this house. We hold each other accountable here but also have fun like a family
Todd S. – South Carolina

- After 17 years of smoking crack and a suicide attempt, I realized that I had had enough. So, while sitting in a mental hospital, I was offered substance abuse treatment. I had no idea what I was in for but I said, "Yes."" On February 21, 2012, I moved into that Oxford House. After moving in, I was told I could stay there as long as I wanted: just follow a few simple rules. They were: pay your EES on time; don't use any type of drug; and don't engage in disruptive behavior. Those three little things were all I had to do to live there in that house. I am proud to say that the Oxford House I moved into back in 2012 became my home and Oxford House will always be Home. If I had one thing to say to newcomers or alumni, it would be to tell them to get involved and stay involved; that's the true meaning of our SUCCESS!!!!
Corey Yancey Glover – North Carolina

- I was voted in as President of my Oxford House, which really allowed me to grow as a person. Every day I am grateful for what Oxford has done for me and my family. ...I owe Oxford house and the people in Oxford House my life. I know for a fact I would be in jail or dead if I wasn't reached out to and been given the tools I needed to get back on my feet. I have held a steady job for almost 3 years now and I've gotten multiple promotions just for the character-building situations I've learned while living within Oxford.
Allie – Louisiana

- I have resided at Oxford House Thomas II for eight years. In that time, I have held every House position and every Chapter position. I returned to school and earned two associate degrees from the local community college. I then received admission into George Mason University. I am now two years away from earning my Bachelors in physics. Oxford House has saved my life and given me a second chance
Frank C. – Virginia



- By the age of 46, I found myself with 3 children, 2 grandchildren and 2 ex-husbands. By February of 2016, I found myself in jail after DUI #3. Oxford was the last place I wanted to be because of all the rules, restrictions, and especially living with women since I didn't get along with women. I remembered that my counselor in treatment told me 'to not be afraid to try new things...otherwise I wouldn't be able to grow.' So I applied at two Oxford Houses. I chose one and I have been there a year and a half.

Amy A. – Washington State

- I graduated from an inpatient treatment program and moved directly from there into Oxford. Simply put: moving into Oxford was NOT my idea; I moved into Oxford because I was in a Drug Court program and into Oxford is where they have people go when leaving a residential treatment facility. ... After getting voted into an Oxford House (but before actually moving in), my plan was to stay for the mandatory 3 months or so then move back in with my parents. Now, I have continued to live in Oxford over a year later, and without any judges or POs telling me what to do. I am grateful that my Higher Power brought me to Oxford to give me a miraculous, imperfect, surprising, lovable life (even though I still couldn't tell you how I have any serenity while living in a house with 7 women and only 2 bathrooms).
Katy – Oregon

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.

HOUSES HELPING HOUSES – AND GIVING BACK

Each Oxford House is autonomous but Oxford House residents are noted for working together to strengthen their own Oxford House, other Oxford Houses and their local communities. They do this through fundraisers and social events, community events, direct support after emergencies, and through financial support to OHI to help to provide technical support to Oxford Houses in states where there is no other 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 are cited below:

- In all states, Oxford Houses get together as chapters to socialize and offer support to each other and particularly



to newcomers and members of new Oxford Houses. At right is a group of Oxford House residents at a chapter gathering in Delaware and at



left is a group of Oxford House residents who have gathered for a cookout at Oxford House Castle 55 in Norman, Oklahoma.

- One of the more unusual fundraising events in 2017 was a ‘Rastlin’ for Recovery’ event in July sponsored by Oxford Houses of Charlotte, NC. The event featured 6 wrestling matches, 5 recovery speakers, a Bounce House for children and food for all. It was apparently very successful.

Community Support. Local Oxford Houses pride themselves on being active members of their neighborhoods and communities. They support community recovery and other local events and work with neighbors to keep their environment in good condition. Oxford House residents are good neighbors!

- The men in the Oxford House Fieldbrook Place in Charlotte, NC, adopted a local stream. They take pride in their accomplishment and were recognized by the city with a sign and treated to tickets to a Charlotte Checkers hockey game.
- Oxford Houses in all areas support local Recovery Month events. These are usually held in September. Many feature walks for recovery.



Help for Oxford Houses in Need. Oxford House residents in a community regularly help residents of neighboring Oxford Houses. The Oxford House community has always been quick to respond when natural disasters strike, offering couches, food, clean-up and whatever else is needed.

- When Hurricane Harvey hit and flooded two Oxford Houses in Houston, Texas, residents of other Oxford Houses pitched in to provide temporary housing and help the residents get back. After a fire at an Oxford House in Dallas, other residents provided housing and support.

Education and Skill Development. Oxford Houses also provide help to Oxford House residents and alumni through sponsoring programs to meet resident needs.

- An Oxford House Resource Fair was held in Raleigh, NC in September to connect Oxford House residents from around the state with access to various resources, such as health and wellness providers, opportunities for finding jobs and opportunities for furthering education.
- Narcan training has been made available to Oxford House residents in all states. While relapses are rare in Oxford Houses, they happen occasionally.

Help for Oxford House Expansion. Oxford House expansion has been greatest in the 20 states and DC that provide 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 – \$545,954 in FY 2017. These contributions are totally voluntary but House members recognize the need to expand the network and help OHI do so. In FY2017, Oxford Houses and chapters that contributed at least \$600 a year to OHI were presented with certificates at the annual World Convention. A significant number of Houses contribute each year – showing their gratitude and their support for expansion.
- Pictures of Oklahoma and Virginia Oxford House residents and alumni receiving 100-Year certificates at the 2017 convention are shown below. Other groups shown are in the later section on the convention.



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

TRUST BUT TEACH

Each Oxford House™ within the large network of Oxford Houses operates the same way. The members of the House make all the decisions affecting the operations of the house. Each member pays an equal share of household expenses. Each member has an equal vote in resolving issues, admitting new members and expelling members who have returned to using alcohol and/or illicit drugs. The group of men or women in the house live as an ordinary family but follow a disciplined, standard system of operation as set forth in the Oxford House Manual®.

A few years ago, a stranger walked up to a group of Oxford House convention attendees gathered in front of the hotel and wearing their convention badges and asked: “What is Oxford House?” She was enthusiastically told about Oxford House and continued to show interest, asking, “Who manages each house?” she asked. “We do,” was the response. Several added, “Its simple. The ‘inmates run the asylum’.”



Everyone laughed, but the group went on to explain more seriously and in detail about the weekly House meetings, the election of five House officers, the term limits of six months, the duties of each officer, the way individuals are “voted in” and the sadness when a member is “voted out” because of relapse. That snapshot illustrated why Oxford House has succeeded – it trusts recovering individuals to help themselves by helping each other, gives them the standard system of operation that works, and permits such trust to be justified.

For forty-three years, the story of Oxford House has been told and retold – over and over and over – by the ever-growing number of Oxford House residents and alumni and by thousands of friends in the treatment profession, court system and recovery community. About 400,000 individuals have moved through an Oxford House somewhere in the country. Each has been “voted into” the house and most have not been “voted out” because of relapse. Since 1991, when CBS aired a segment about Oxford House on “60 Minutes”, every newcomer to an Oxford House is shown the video as his

or her first indoctrination to the democratically run, financially self-supported Oxford House system of operation. At first, the newcomer learns just the basics: “Don’t Drink;” “Don’t use drugs;” “This is the equal share of household expenses;” “Here is the kitchen;” “This is your shelf in the ‘fridge;” “Be at the weekly business meeting at 7 PM on Monday;” and “Here is your key to the house.”

The new resident starts out by avoiding the use of alcohol or drugs because he or she does not want to be thrown out and quietly takes pride in the fact of having been trusted enough to be given a key to the House. At the first House meeting, people are friendly but the newcomer just sits and listens. The meeting follows a specific schedule and the newcomer is told he or she has an equal vote and is expected to vote whenever the group has a vote on a motion or a resolution. Everything is open and reports are given about the last meeting, the house checking account, bills paid, bills due and upcoming events. When it is over, other House members will probably ask the newcomer how things are going and get early impressions about the meeting. The Chore Coordinator will explain that the new resident has a chore to do daily or before the next meeting. The Treasurer will provide a reminder of when the next equal share of expenses is due.

Within a few weeks, the newcomer will probably have had to vote on admission of a new resident and may well have been elected to a House office – but by then he or she is an old-timer in Oxford House and will share his or her knowledge about how Oxford House operates with the next newcomer. Now he or she avoids taking a drink or using drugs in order to set a good example. Before long, abstinence is becoming a habit and sobriety is becoming more comfortable week by week. He or she learns that sobriety is habit-forming. At some point, the individual will feel comfortable enough in sobriety to move on to make room in the house for someone else but he or she knows that voluntarily moving out is entirely up to the individual. There are no time limits so long as a resident follows the Charter conditions.

Sometimes a resident becomes so dedicated to helping others that he or she will move into a newly-established Oxford House to live and help teach others the Oxford House system of operation. Other residents who move out become active alumni, working with Houses and Chapters, attending social events, helping newcomers find jobs and otherwise helping to strengthen the network of Oxford Houses – while reinforcing their own sobriety.

Officers from clusters of Oxford Houses in a given area meet once a month as a chapter to share their knowledge. This sharing of strength, experience and hope provides a frontline tool to assure quality control. While all Oxford Houses are autonomous, guidance from chapters can be very helpful, particularly for new Houses.

The role of the outreach worker has turned out to be very important. Since expansion began, many trained outreach workers – all of whom are Oxford House alumni – have traveled from Alaska to Australia to teach others in recovery from alcoholism and drug addiction how an Oxford House™ works and to explain why living in an Oxford House™ is the best road for achieving recovery without relapse. The outreach worker is trained by OHI for the following tasks: helping to find a suitable house to rent; helping the group apply for a charter from OHI; getting an FEIN number from IRS; helping to recruit initial House residents; teaching residents the system of operations; helping build mutually-supportive chapters; developing linkages to providers; working with drug courts and parole officers; employment linkages; documenting success/failure; trouble-shooting problems and coordinating with state and local agencies. Outreach workers aren't House managers but they are able to teach residents the system of operations so that new Houses run smoothly from the get-go.



Financing of outreach workers comes from two sources: [1] contracts with local or state governments and [2] voluntary contributions from existing Oxford Houses. At the first Oxford House World Convention in 1999, the residents and alumni voted to suggest that each Oxford House send monthly contributions to OHI to further expansion. Such contributions are entirely voluntary; OHI charges Houses no fees. To encourage regular voluntary contributions from the individual houses, the OHI Board established the “Directors’ 100-Year Awards.” Time has shown that the voluntary scheme has produced a rewarding outcome. This income covers uncompensated overhead and permits outreach to states and areas where local government agencies do not contract with OHI to provide outreach workers to develop networks of self-run, self-supported Oxford Houses. (*Other sections of this report discuss the awards in more detail.*)

HIGHLIGHTS OF THE 2017 OXFORD HOUSE WORLD CONVENTION

Over 1,200 Oxford House residents, alumni and friends participated in the 2017 Oxford House World Convention held in Washington, D. C. over Labor Day weekend. The convention theme was: Oxford House – Unique, Time-tested and Evidence-based. The convention featured general sessions, breakout panels, campaign speeches, awards, good food and social events. *(A copy of the full 2017 convention program can be found on the website (www.oxfordhouse.org))*



A large audience listened intently to the opening general session. It opened with an invocation; a welcoming speech by Tanya A. Royster, M.D., Director of the D. C. Department of Behavioral Health; a convention overview by COO Kathleen Gibson and CEO Paul Molloy; and a review of World Council election rules by James McClain. The opening keynote address was given by Richard Baum, Acting Director of the White House Office of National Drug Control Policy.



During the convention, there were 25 breakout panels that covered a broad range of policy and ‘housekeeping’ issues of concern to Oxford House residents and alumni. Some of the panels were covered by C-Span-2 and a link to these sessions is on the Oxford House home page at www.oxfordhouse.org. The Friday breakouts included a panel discussion of the opioid crisis that featured experts (including Wilson Compton, M.D., Deputy Director, NIDA; Stuart Gitlow, M.D. and Westley Clark, M.D., former CSAT Director) and Oxford House alumni.



Other Friday breakout panels included one on Working with Drug Courts (at left below) and also Oxford House and Re-entry from Prison (at right below). 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 works closely with drug courts and many judges recommend Oxford House residency to their clients since they have found that clients who live in Oxford Houses are less likely to relapse or re-enter the criminal justice system.

Oxford House is also 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. In some states, applicants can interview at Oxford Houses by telephone while still incarcerated and, if accepted, are met by Oxford House folks at the prison on their release and taken directly to their Oxford House, thereby reducing any inclination to return to old stomping grounds.



Other panels focused on: the Nuts and Bolts of Opening a New Oxford House; the Role of Oxford House in Reducing Health Care Costs; Educating the Public About Recovery; Working with Treatment Providers; and Updates on Recovery Housing Research. Since it has been said, “What’s the point of being clean and sober if it’s not fun”, one of the panels focused on The Importance of Having Fun in an Oxford House. The panel was attended by many convention participants as well as an ersatz dinosaur.



The afternoon general session featured keynote speeches by Westley Clark, M.D. and Stuart Gitlow, M.D. As always, Dr. Gitlow illustrated his Addiction 101 talk with hand-drawn graphs on his flip chart.



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 gave 3-minute campaign speeches and convention participants cast their votes. The winners were announced at the General Session on Saturday afternoon and the new members began their terms of office.

The session also included presentation of the Directors' 100-Year Awards. These 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 in areas where there is no other financial support. During FY 2017, Oxford Houses from 20 states contributed a total of \$545,954. Oxford House residents pay no dues or other fees to Oxford House, Inc. and the voluntary contributions represent the residents' efforts to 'give back' and contribute to helping develop new Oxford Houses to benefit others. Below are photos of some of the state groups assembled to accept their awards.



The Saturday session began with a breakfast buffet. Plenty of food was available for everyone.



Saturday morning was filled with breakout panels – 15 panels altogether. They covered a wide range of topics, including Dealing with Children in Oxford Houses, Civil Rights and the Law, Giving Medically-assisted Treatment a Chance, and Dealing with Opioid Overdoses. Oxford Houses have many residents who have used opioids and, while relapse is rare among residents, it does occur occasionally, usually within the first two or three weeks of residency. All Houses are encouraged to have Narcan (Naloxone) available in the house and know how and when to use it and get other help for the relapser. Once the immediate crisis is over, residents will move to expel the relapser from the House as is required by the Oxford House charter.



One of the last breakout sessions – Millennials in Recovery – was also one of the most popular. In the early days of Oxford House, most incoming residents were older and were addicted primarily to alcohol. Today, when drug addiction is more prevalent and addiction seems to occur soon, incoming residents tend to be younger. Both Oxford Houses and the recovery community in general have adapted to this trend and seek to provide new opportunities for younger recovering individuals. (Photos from that breakout session are shown below.)



The Oxford House alumni at the convention gathered together for Saturday's annual Alumni Lunch.



The afternoon General Session included the introduction of new Oxford House World Council members (see photo of all Council members below). The resident and alumni members serve staggered three-year terms.



The convention participants also discussed and voted on proposed resolutions, heard presentations by states vying to host the 2018 convention and selected the winning site – Kansas City, Missouri.



Everywhere, there were Oxford House tee-shirts – on participants and for sale by Oxford House state groups.



The Saturday night banquet featured opening remarks by Board member Ken Hoffman and presentation of awards by James McClain, Paul Molloy and Kathleen Gibson to Oxford House supporters, residents and alumni. Recipients of the awards were Jason Jarreau, Sheri Glisson, Flo Stein and Hiram Torres. A well-received recovery speech was followed by dancing. Throughout the banquet, a slideshow presentation showed pictures of activities of various Oxford House groups, chapters and state associations throughout the past year.



FY 2017 Financials

Oxford House, Inc. Statement of Financial Position June 30, 2017¹

ASSETS	
CURRENT ASSETS	
Cash	\$ 404,965
Accounts Receivable, Net	1,121,088
Employee Advances	13,882
Prepaid Expenses	36,106
Loans Receivable, Current Portion	89,599
Total Current Assets	<u>1,665,640</u>
PROPERTY AND EQUIPMENT	
Furniture and Office Equipment	280,894
Less Accumulated Depreciation	<u>(191,866)</u>
Net Property and Equipment	<u>89,028</u>
OTHER ASSETS	
Loans Receivable	119,445
Restricted Cash	95,710
Deposits	<u>15,285</u>
Total Other Assets	<u>230,440</u>
TOTAL ASSETS	<u>\$ 1,985,108</u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable	\$ 291,099
Program Advances	75,197
Accrued Payroll Taxes	16,381
Accrued Salaries	122,185
Deferred Lease Obligation	<u>13,891</u>
Total Current Liabilities	<u>518,753</u>
Total Liabilities	<u>518,753</u>
NET ASSETS, Unrestricted	<u>1,466,355</u>
TOTAL NET ASSETS	<u>1,466,355</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$1,985,108</u>

Statement of Activities

SUPPORT AND REVENUE	
Federal Awards	\$ 4,842,598
State and Local Awards	1,650,886
General Contributions	608,331
Convention Revenue	359,778
Combined Federal Campaign	12,920
Conference Revenue	12,430
Revolving Loan Management Fees	3,150
Interest Income	<u>112</u>
Total Support and Revenue	<u>\$ 7,490,205</u>
EXPENSES	
Program Services	
State and Local Program – Federal Funds	\$ 4,842,598
State and Local Program–State/Local	1,650,886
State and Local Program – Other	195,686
World Convention	<u>250,310</u>
Total Program Services	<u>\$ 6,939,480</u>
Supporting Services	
Management and General	299,815
Fundraising	<u>894</u>
Total Supporting Services	<u>300,709</u>
Total Expenses	<u>7,240,189</u>
INCREASE UNRESTRICTED NET ASSETS	250,016
NET ASSETS Beginning of Year	<u>1,216,339</u>
NET ASSETS End of Year	<u>\$ 1,466,355</u>

Oxford House, Inc. FY 2017 Expenses By Category and Function

Expense Item	State/Local Program	G&A	Total Expenses
Salaries	\$2,903,436	\$100,011	\$3,003,447
Fringe Benefits	613,963	65,439	679,402
Payroll Taxes	<u>228,032</u>	<u>7,153</u>	<u>235,185</u>
Total Personnel	<u>3,745,431</u>	<u>172,603</u>	<u>3,918,034</u>
Travel & Lodging	2,328,000	894*	2,328,894
Professional Fees	147,149	33,352	180,501
Rent	146,736	29,350	176,086
Telephone/Facsimile	152,592	3,200	155,792
Convention Expense	77,029		77,029
Meeting/Conference	74,312	0	74,312
Printing/Publications	62,802	990	63,792
Other	32,541	21,206 ²	53,747
Insurance	32,702	10,580	43,282
Local Training	38,400	0	38,400
Office Supplies	26,402	9,458	35,860
Outreach Supplies	31,436	719	32,155
Postage and Supplies	14,667	7,343	22,010
Depreciation	16,953	3,408	20,371
Payroll Services	8,337	7,100	15,437
Bank Charges	2,115	506	2,621
Litigation Settlement	1,866		1,866
Total Expenses	<u>\$6,939,480</u>	<u>\$300,709</u>	<u>\$7,240,189</u>

Individual Oxford Houses followed through on a resolution at the 1999 Oxford House World Convention to encourage voluntary contributions to Oxford House World Services for the purpose of defraying expansion and service expenses. During FY 2017, Oxford Houses voluntarily contributed \$545,954 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 \$112,000 was used for start-up loans in FY 2017 and the remainder for on-site technical assistance.

*\$894 is total expenses in conjunction with fund raising and is included in travel and lodging travel under G&A.

A full copy of the Oxford House, Inc. audit and IRS form 990 is available from Oxford House World, 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.

OXFORD HOUSE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

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.

All 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 expense as incurred.

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, 2017.

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 21, 2017, 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, 2017 loans receivable were \$209,044, 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>\$ 122,185</u>
	<u>\$ 122,185</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, 2017. The note is secured by a \$30,928 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 \$1,130,000 at June 30, 2017.

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:

2018	<u>179,934</u>
	<u>\$ 179,934</u>

Note 8 – Concentration of Credit Risk

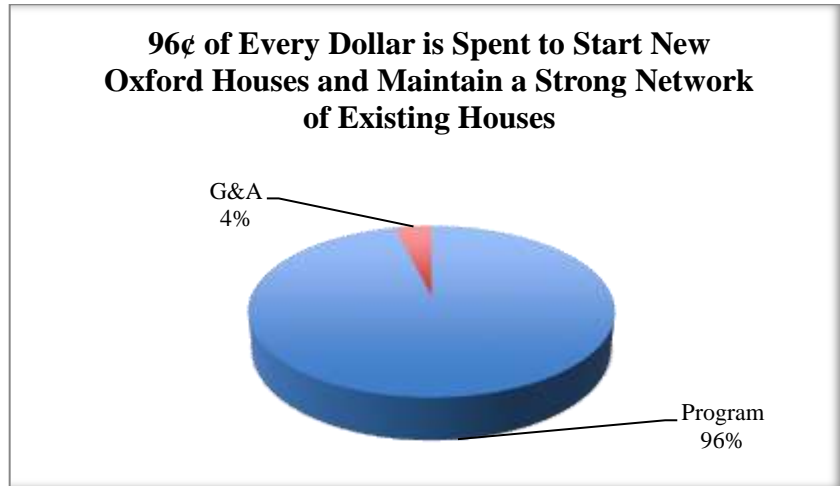
Bank balances in excess of Federally insured limits at June 30, 2017 were \$250,675.

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. Only 4¢ of every dollar is used for overhead – general administrative expenses.

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

A FEW HOUSES IN THE OXFORD HOUSE NETWORK



Pictured above are typical Oxford Houses. If all 2,287 Oxford Houses were pictured, using the same format of 15 houses per page, it would require 153 pages 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 \$123 a week.

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 8 months with about 20% of the residents expelled for resuming use of alcohol or illicit drugs. Most relapses occur during the first three months of residence.

OXFORD HOUSE TRADITIONS

1. Oxford House has as its primary goal the provision of housing for alcoholics and drug addicts who want to stay clean and sober.
2. All Oxford Houses are run on a democratic basis. Our officers serve continuous periods of no longer than six months.
3. No Member of an Oxford House is ever asked to leave without cause -- drinking, drug use, or disruptive behavior.
4. Oxford House members realize that active participation in AA and/or NA offers assurance of continued sobriety.
5. Each Oxford House should be autonomous except in matters affecting other houses or Oxford House, Inc. as a whole.
6. Each Oxford House should be financially self-supporting.
7. Oxford House should remain forever non-professional.
8. Propagation of the Oxford House, Inc. concept should always be conceived as public education.
9. Members who leave an Oxford House in good standing should become associate members.

Oxford House[™]

1975-2018

43 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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