

Outward Bound® International, Inc.

Resource Manual



Understanding Funding and Income Structures at Outward Bound

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Understanding Income and Funding Structures at Outward Bound

This project started out of a realization that Outward Bound Schools around the world have a formidable challenge in structuring their organizations to ensure long-term financial viability. Starting and maintaining an Outward Bound school has often been seen as an art and skill that is passed generationally through schools. At OBI we recognize that as we grow, schools need more tools that will help them see how other's have been successful in sustaining Outward Bound. Thus, OBI is beginning the process of codifying some of the practices that have worked and sharing those world-wide. At the same time, we want to honor the cultural differences and interpretations of funding and income structures of Outward Bound programs.

To begin to get a grasp on what methods of fund raising have worked and how individual schools run their businesses, OBI has interviewed Outward Bound leaders who are either Chairman, Executive Directors or Development Directors for schools in Europe, the United States, Canada, Australia, Asia and Africa. This examination of schools is a beginning and is by no means an exhaustive study of funding practices. Instead, it is a good snapshot of how large schools, mid-size schools and small schools have developed and sustained themselves.

The information in this document is designed to assist schools in their process of thinking of new strategies of fund raising for their school. This is privileged material for Outward Bound employees and board members only. Permission to distribute these materials is given only after Outward Bound International approval.

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Start Up Funding and Business Structure

Initial Business Structure

Every Outward Bound Center has a different structure when it is starting. Some are more dependent on funding from its trustees and founders while others are able to get corporate or foundation support. Most are a combination of both. The important element that all new Outward Bound schools should know when thinking about starting is that they will *need to rally* influential and wealthy supporters to the project.

OUTWARD BOUND INDONESIA:

In some countries, where wealthy donors are limited and philanthropy is less sophisticated, organizations may need to think about making profits as a business. In Indonesia, this has been the case. They originally planned to start with the assistance of a bank, but when that bank collapsed, they started by their own determined effort. Since then they have gradually grown and now have a staff of 30 and will soon be opening a center in Bali.



Because the vast majority of Indonesians are poor, OB Indonesia needed to find a market to sell their programs to. They began working with corporate groups and international schools who could pay fees for service. With the surplus of these fees they were able to pay for poor students to attend courses. In addition, some of this surplus has paid for the new center in Bali.

Boards of Directors, Advisors and Trustees

The founding board of directors, advisors and trustees of the organization is critical to mobilizing the funding of the organization. This group of people needs to access their contacts and rally support for the idea of the organization. They also need to be some of the largest donors to the organization.

OUTWARD BOUND BRAZIL:

Outward Bound Brazil, which is currently a provisional licensee, started out of the generosity of its founding directors. Together they pooled their money and were able to ask friends and corporations they knew to donate to the cause. This has helped them to pay for the first year and salaries of its employees. Through this initial money they are able to start their business and look for more support. After their first year of fund raising, they are now setting up a fundraising committee led by some of the board of directors.

Foundation Support and Patrons

Some schools have been able to find Patrons or Foundations willing to take a risk on the start up of the organization. Typically these supporters have a tie to Outward Bound in another country and wish to see it spread elsewhere. Foundations can be the source of early stage funding, however they typically require a longer schedule for application than is needed when trying to start an organization.

OUTWARD BOUND SOUTH AFRICA

Unlike Indonesia, South Africa had interest from a wealthy patron who had a foundation set up to support the development of an Outward Bound school there. This patron had a vision of Outward Bound assisting in the repairing of relations between the races and culture in South Africa. Thus, just as apartheid ended, OBSA started with 98% foundation and corporate support. This support covered course costs, equipment, salaries, transportation and more.



Start Up Funding and Business Structure

Gradually, as the school has grown over the last decade it has diversified its funding so that currently it is budgeting for 70% income from course fees and 30% foundation income. This has helped them become more stable financially as a business in a highly competitive NGO environment.

Corporate Support

Corporate support can come through participation on Professional Development Programs, sponsorship of students or the school and grants through their corporate giving. Corporate support has typically been used in later financing of an organization rather than in its start up years.

Government Sponsorship

Some countries have done quite well integrating Outward Bound into government programs. This can be challenging, particularly when politics shift and new parties take over the government. Thus, it is recommended that if initial government support is available, it should be utilized only as part of the long-term sources of funding.

OUTWARD BOUND BERMUDA:

After some civil unrest in the late 60's in Bermuda an independent enquiry recommended that the police should somehow foster some better relations with the youth of the country. Several ideas were put forward and one UK police officer, who had some experience of Outward Bound in the UK thought these activities could foster the goals of the police force. He made contact with several local companies for funding and the government agreed to financially assist. In addition, the police service allowed the officer, to run it. In its early years, OB Bermuda was fully run by police officers with assistance from staff of the OB UK Trust. Now it is a joint civilian/police effort, with both corporate funding and government support.

Nonprofit Status

To be a member of the Outward Bound International Council, it is required that schools set up their financial structure so that they are a not-for-profit organization. In some cases this is either a challenging process or not even available. New schools should know that what is essential is that all profit made on the sales of the programs go back into the infrastructure of the school and/or student opportunities.

OUTWARD BOUND AUSTRALIA

The tax laws in Australia until recently did not allow them the chance to issue tax-deductible receipts to individuals and corporations who gave to their organization. As a result, they set themselves up to have 98% income and 2% fund raising. With a change in tax laws in the last few years, they set up a separate development corporation that allowed them to make partnerships with corporations and individual donors and now they can issue tax-deductible receipts.



OUTWARD BOUND SINGAPORE:

Outward Bound Singapore was started in 1967 by Dr Goh Keng Swee, then Minister for the Interior and Defence and Deputy Chairman of the People's Association. The People's Association took over the management of the centre in 1991. OBS is a division of the People's Association which is a statutory board with its board of Governors and its constitution. The government now helps subsidize fee for service courses for the youth of Singapore. This, in addition to fees and corporate income, help stabilize Singapore's finances.



Sustainability Structures: Fulfilling the Mission and Keeping the Books Balanced

Income Structures:

Outward Bound centers have found a variety of ways to make income to support their mission. The basic structure is fee-for-service programs that help offset the cost of subsidized programs. This structure has been fairly successful throughout OB schools, however each school sets this up slightly different. Below you will find descriptions of a variety of strategies other than fund raising that help schools meet their expenses.

General Courses:

By offering courses that have fee-for-service, schools can generally cover their operating costs with that income. This can be a very good business practice because it means the organization fluxes with economic change. However, this means the school is heavily dependent on enrollment to sustain operations and if enrollment is down, it must run a lean operation, which can tax the staff and overall organization.

OUTWARD BOUND USA

There are five wilderness centers in the United States and two urban centers. Each of these schools charge a fee for service based on the actual expense of the courses. The wilderness centers grew dramatically in the early 1990's when enrollment spiked. Reduced demand in the later 90's and into the year 2000 caused the centers to scale back growth plans and begin to partner in marketing efforts to ensure their survival long-term. One school that has been less effected is Hurricane Island, due to the large amount of income they receive from contracts.

OUTWARD BOUND INDONESIA

In 1998 Indonesia was hard hit by the Asian economic collapse. During this time they lost 60% of their income because people simply could not pay for their courses. As a result they "Tightened their belt" as Djoko Kusumowidagdo described, "Staff took less salary, everyone tried to save money." Most of the staff continued to stay on despite the challenges and the following year they were back up to 1997 levels of enrollment. In 2000 they had a 100% increase in enrollment.

Professional Development Courses:

Outward Bound Professional courses were started in the United States 30 years ago when the US schools began creating shorter, intense courses catered to work teams and corporate groups. Schools around the globe quickly took up corporate programs to help fill a need both financially and for staff development. These courses have not truly been the financial stabilizer that Outward Bound was hoping for because they cost more to run, however, they have helped schools in tough times.

"Twenty years ago they thought they would make more money, but instead it costs more to run corporate programs"

OUTWARD BOUND AUSTRALIA

At Outward Bound Australia, "Twenty years ago they thought they would make more money, but instead it cost more to run Corporate Programs." Says Tim Medhurst, Executive Director. Now corporate programs are a small, but important percentage of what they do. Less than 5% of the business at OBA is corporate programs; this is partly because OBA has been selective about what they do. At the same time these programs fill an important financial gap. Because they are shorter, they are able to make more income in a shorter amount of time, which counters times when staff are low and less longer programs are offered.

OUTWARD BOUND SLOVAKIA

Outward Bound Slovakia makes approximately 80% of its income from corporate contract courses. This income along with about 10% funds raised for scholarships helps subsidize the costs of youth and public courses.



Sustainability Structures: Fulfilling the Mission and Keeping the Books Balanced

Contracts

Outward Bound has found that Contract courses are also a very important and stable part of developing long-term income for the schools. Contract courses can be for schools, organizations, and corporations.

OUTWARD BOUND CANADA

At Outward Bound Canada they have built a long relationship to public and private schools to offer courses for high school credit. Many schools utilize OB Canada's programs as an integral part of their curriculum, particularly for high school students. In addition, students can take a course during the summer and receive credits that go towards their high school graduation. This program has had steady growth over the years starting with one credit programs, progressing to 2 credit programs and now they are about to introduce a full 5 credit alternative high school semester program. Currently, 25% of OB Canada's income comes from these contracts with schools and special programs.

HURRICANE ISLAND OUTWARD BOUND

HIOBS has been successful developing contracts with the juvenile justice system in the state of Florida. Through these programs, which operate in the winter season, HIOBS has been able to make in excess of \$5million annually which is approximately 43% of HIOBS overall budget.

EXPEDITIONARY LEARNING OUTWARD BOUND

Expeditionary Learning approaches its work with public schools in the United States and Puerto Rico as a whole school reform project. When a school commits to becoming an ELOB school they must have both financial and community backing to make a full transformation of their curriculum and teaching practices. They then enter into a committed contract with one another for a period of years.

Managing Overhead and Fixed Costs:

Many schools keep their books balanced by focusing on keeping lean organizations and/or fixed costs. Some of the methods manipulated to keep the books balanced are staffing, use of mobile bases, and full usage of assets.

Utilization of Staff:

At many Outward Bound centers around the world, wages are fairly low. The schools have been able to generate enthusiasm for the mission of the school and create strong communities so that staff feel a greater degree of social satisfaction to compensate for less pay. In addition, many of the field staff are young and willing to work for less as they build their career skills.

The one negative to this tactic is that staff tend to burn out quickly and/or once staff become skilled and senior in the organization they leave, taking with them their skills and training. In the United States this has been a persistent issue, prompting them to develop a nationwide staffing initiative to support senior staff.

In addition, many schools hire their staff on a seasonal basis to decrease costs year round. This creates a secondary cost of continually hiring new staff. All of the courses in the high season help pay for the operating budget during the slow season.

Finally, in some countries, especially those that operate year-round in warmer climates, schools often opt for a smaller staff that works year-round. In some countries, where outdoor skills are less prevalent in the culture, they have developed funding and processes that support staff development and long-term commitment to the school.

On page II.7 see a variety of examples of how schools have designed their staffing for success.



Sustainability Structures: Fulfilling the Mission and Keeping the Books Balanced

Utilization of Staff—Pay Structures:

OUTWARD BOUND AUSTRALIA:

At Outward Bound Australia, the staff sign a three year contract with only 90 days off a year. This means that they are working 270 days a year, which is more than the average worker. Thus, OB Australia has done a lot to build community. All the staff live on their base camp and have the opportunity to develop their skills either by helping build the base itself, or working in a variety of ways for the school. Their work and volunteerism have helped build their base camp, which they are very proud of and feel a sense of ownership in. This community building has helped OB Australia maintain loyalty within its staff, despite their low pay and long hours.



OUTWARD BOUND INDONESIA:

At OB Indonesia, rather than reduce the salaries of staff, the executive director/chair works 60% of his time for the organization and then 40% running his own business. In addition, his role is mostly voluntary, charging only for expenses incurred in the role. This reduces some of the overhead costs that are not directly related to programs. All of the 30 staff are full time paid.



PACIFIC CREST OUTWARD BOUND SCHOOL:

The majority of PCOBS' courses occur between the months of May-September. This design, which is similar in all of the US schools, is partially due to cooler off-season weather and school calendars. With an operating budget of \$5 million PCOBS needs to make \$2-3 million in enrollment during that 5 month period to stay financially solvent. Each year the school hires new field staff (and re-hires older staff) and extra office staff who work during this high season. All of the new staff requires an influx of money and time to training and development to ensure the quality and safety of programs. Most of these contract staff don't receive health insurance or benefits (although they have the option to if they work a certain amount of days). The advantage of this system is that it reduces costs when courses are not in the field. The disadvantage is that it has heavy dependence on one season, which requires ongoing training and, when those courses don't sell, financial problems.

OUTWARD BOUND SLOVAK REPUBLIC:

At OB Slovak Republic, they staff their courses entirely from volunteer efforts. They have about 40 "member instructors" who volunteer their time in exchange for basic training, equipment, marketing and personal growth opportunities. Those volunteers instruct on their public courses. OB Slovakia expects these volunteers to create new, original programs and activities that can be used in contract courses. Essentially the public courses become "laboratories for contract courses" as Tamara Greksakova, Executive Director states



Sustainability Structures: Fulfilling the Mission and Keeping the Books Balanced

Utilization of Staff:

Staff Development Structures

OUTWARD BOUND SOUTH AFRICA:

OBSA has a variety of ways of developing staff and each of those groups have slightly different expectations and hopes for their career at OBSA. The three key avenues for staffing are the Student Instructor Training Programme, local staff who are assessed and trained and overseas staff. Each of these programs requires a different approach. In each of these programs, staff salaries tend to be low, however all of the training is free.

The Student Instructor Training Programme is an affirmative action model that “selects black South Africans that display a good sense of people management skills but usually have no outdoor skills at all and come from disadvantaged backgrounds.” says Jon D’Almeida, Executive Director. This program is a three-year apprenticeship that is funded by foundation and corporate support. The participants in this program go through a rigorous training process at the end of which they should be able to work at any OB school in the world. These staff tend to stay at least 6 years.

Their second method of staffing is an “Assessment Course” that local South Africans who have skills can take and be trained to work for OBSA. Once successful in the training program they have ongoing training every year to improve skills. These courses usually attract staff who stay 2-4 years or become management.

Their last staff group is Overseas applicants who generally come with the skills required and get trained in OBSA methods. These folks tend to stay about 2 years and then depart back to their country.

Having three types of staffing is advantageous to OBSA because it diversifies the staff and how they pay them. In general staff pay is low, but improving yearly.

Utilization of Assets:

Keeping Expenses Low

Mobile Courses:

Many schools have chosen the “mobile course” model. Essentially this reduces the cost of multiple base camps around a country. The benefits of this are low long-term overhead expenses because students are not at buildings that need to be maintained and paid for by the school, the disadvantages are a dependence on usage of particular areas and public lands for starting and finishing courses as well as costs for logistical support.

PACIFIC CREST OUTWARD BOUND SCHOOL:

At PCOBS they have managed, through generous contributions of land and money, to purchase and lease properties in many of the areas where they operate. They have slowly built their base camps over a number of years through the efforts of staff and capital campaigns. Currently all of their courses are mobile starts and finishes with only a few courses that come to the base camps. As a result, their camps are equipped to support staff in their work but don’t adequately suit students. This decreases some of their expenses while they slowly build to the capacity of supporting students at their bases. Yet, because the base camps are not fully utilized, they are an expense in the “off season”.

OUTWARD BOUND AUSTRALIA:

In the 1970s OBA decided that the least expensive method of running the school would be through mobile courses. Thus, they have one national base, where all of the staff live year-round. For courses they take their “circus” on the road and set up bases throughout the country, complete with mobile ropes courses. The expenses to the school come from only one base for staff rather than multiple bases throughout the country.



Sustainability Structures: Fulfilling the Mission and Keeping the Books Balanced

Buildings and Base Camps

The traditional model of Outward Bound schools, based on the model developed in the UK, is a base camp from which students embark on their adventures. To reduce the high costs of maintaining a base, schools have developed a variety of cost-saving measures such as volunteer building efforts, camp settings that are rustic, and donations of land and buildings.

OUTWARD BOUND SINGAPORE:

Since OBS doesn't have the vast lands of Australia or the United States, they have developed two major centers complete with a variety of ropes activities and innovative programs for the urban population of Singapore. Their operations have grown to include a center for its core courses and a Leadership Development Center for corporate and outdoor skills courses on Pulau Ubin and a new center (SPARKc) for young children in Singapore. Each of these centers has been supported through donations to the school. In addition, OB Singapore is capable of running programs continuously all year round, which helps them have funds to support their infrastructure.



OUTWARD BOUND ESKDALE-UNITED KINGDOM

Outward Bound received support in purchasing the Gate House property in Eskdale in 1950. This beautiful estate in the Western Lake District was built for Lord Rea in 1896. Out of this property OBUK operates mountaineering courses, team-building courses and they also offer the space for weddings, a bed and breakfast and conferences. Through these many varied activities, the school is able to maintain the estate with the income that comes in.



THOMPSON ISLAND OUTWARD BOUND CENTER

Thompson Island is a historical landmark in the Boston Bay. It is only a mile from the city but was given to Outward Bound as an education center and environmental preserve. On the island the center is able to operate both corporate events and outings as well as courses for youth. TIOBEC has become well known for its "Lobster and Clam bakes" which has attracted a lot of events to the island. Through these events, they are able to help subsidize the property expenses as well as the courses.





Sustainability Structures: Fulfilling the Mission and Keeping the Books Balanced

Fulfilling the Mission:

Serving the Underserved and At-Risk

A key element of Outward Bound Schools is to serve the underserved populations of youth in the world through their programs. Many schools utilize surpluses to pay for the fees of students who cannot pay, while others have fundraising strategies to achieve this goal. Developing a strategy that supports the overall financial success of the school while not losing sight of the mission is important.

OUTWARD SOUTH AFRICA:

OBSA focuses much of its work on assisting marginalized or at-risk youth who have been effected by the years of political problems and apartheid in South Africa. These students do not have the capability to pay so OBSA raises funds directly per program.

Each year they draw up the program plan “with the best possible balance of courses to meet our VISION” says Jon D’Almeida, Executive Director. They then “draw up target lists of funders and go out and SELL sponsorship options for entire courses.” For example: “If we decide to operate a season of Street Persons courses, say 6 courses of 50x participants per course then we draw up a proposal for the entire 300 participants that includes travel, insurance, equipment use, mealing, accommodation, professional fees and so on. We approach Foundations and Corporates to ‘partner’ with OBSA and this always involves progress reports, final expenditure report and a tracking programme.

What is different here is that we also ask the funder to pay for a ‘holistic’ programme which means that folk who complete a 21 day OB course go on to other supporting programmes including career counseling, basic literacy and numeracy, computer skills, vocational options and so on...we ‘broker’ the entire process and gain the funds as above. Usually these programmes are operated over a 12-month period so the funding is sought for the 12 months to cover all costs. We repeat that process for all our funded/scholarship courses.”

OUTWARD BOUND CANADA:

OB Canada has a special department called “Community Programs”. This program includes courses for women survivors of abuse, Native American youth, at-risk youth and more. To fund this program fully, the school utilizes individual donors, foundations, corporations, and a small amount of state grants from one province. As a result, many of the students are able to have full support for themselves and their families when they go on Outward Bound trips (i.e. OB Canada helps pay for babysitters for people with children).

HURRICANE ISLAND OUTWARD BOUND SCHOOL:

HIOBS conducts programs in the State of Florida that are part of the juvenile justice system to help in the rehabilitation of youth in Florida. This program is set up through a number of contracts with Florida State agencies and local school districts and brings in approximately 51% of HIOBS overall operating budget (in excess of \$6 million annually). Since 1975 these programs have grown incrementally to include work with: adjudicated youth and youth “on the fringe” of the criminal system through its “Families in Need of Services”(FINS). Program length ranges from 20 days to 180 days and is a combination of wilderness programming, education incorporating expeditionary learning, follow up in home/schools, and residential programming.

One of the reasons HIOBS has been so successful gaining contracts within Florida is that they have frequent independent government evaluation that helps validate the success of the programs. As a result of this research, HIOBS Florida has been approached multiple times by other state agencies for contracts and expansion. HIOBS has been limited in its growth in this area, due to staffing concerns. By the year 2002 they intend to open their first FINS program outside of Florida in South Carolina.

OUTWARD BOUND UK:

In the UK they have long focused on serving youth who cannot afford the experience. About one quarter of youth program turnover requires a subsidy of some kind, which is approximately £1million. To achieve this funding OBUK founded the Patron's Company, which is a group of donors who ensure the school has this amount of funding each year.



Successful Fundraising Organizational Structures

Diversification: The Key to Success

The key to stabilized fund raising, as described by Keith Choules, Executive Director of OB Hong Kong is, "Diversify, Diversify, Diversify". Most of the older schools have a variety of methods that they depend on to bring in money to support the school. These methods are described on pages— in more detail. Below you will find a brief description of how three schools are designed.

PACIFIC CREST OUTWARD BOUND SCHOOL/ HURRICANE ISLAND OUTWARD BOUND SCHOOL:

At PCOBS, which needs to fund raise approximately US\$2 million a year in donations, 1/3 of the funds raised are from foundations and grants, 1/3 from individual donors, and 1/3 corporate sponsorship. At Hurricane Island, 1/3 comes from foundations, 1/3 trustees, 10% special events and 20% individuals. According to both of the Development Directors from these schools the top 10% of the donors end up giving 75-80% of the funds. In capital campaigns, "the top 10% give 90% of the funds," says Penn Williamson former development director at HIOBS.

OUTWARD BOUND HONG KONG:

In Asia, government funding is more available for programs like Outward Bound and thus both OBHK and OB Singapore have support from the government. At OB Hong Kong, the government supports the programs with Sports and Recreation grants. In addition, they have two major fund raising events (described on pgs. 13-14) and they have good support from corporations and individual donors. Not counting on any one group for full support is how they diversify.

OUTWARD BOUND SOUTH AFRICA:

The key to his fundraising, says Jon D'Almeida, Executive Director of OB SA, is: "Targets at the year beginning: A target for the Board, a target for my office and a target for the marketing team. We have folk em-

ployed to develop relationship and course bookings with schools, another with Foundations and yet another with corporates and new programmes. The operational staff visit each client annually to encourage repeat bookings and then I get the task of designing innovative ways to seek new projects and associated funds.

So...we don't really just go looking for money. We design a project and convince folks to join us in the project and to gain 'good press' by assisting in such a worthwhile project. We believe in SELLING our projects either by gaining funding partners or by joint programmes."

"We don't really go looking for money. We design a project and convince folks to join us."

Development Staffing:

Some schools choose to hire a crew of development staff to assist in the various events and fundraising activities they participate in. At Outward Bound Hong Kong, they hire two events staff that manage the two major events they have each year. The executive director also works on fundraising as part of his job. At Outward Bound Canada, they have chosen to decrease expenses by only having one half-time development assistant in the West Coast. The rest of the fundraising work at OB Canada is done by the Executive Director.

Communications:

Setting up good communications with alumni and donors is crucial to maintaining relationships with those who fund the organization. Some basic communications that many schools have include newsletters, catalogs and annual reports. T-shirts and other clothing with the OB logo also help market the school. In addition, some schools, such as Hurricane Island Outward Bound, have begun to give a packet of information to students as they are leaving the course. It is a "welcome to the alumni" packet that gives them newsletters, information on how to give and information on other courses.



Successful Fundraising Organizational Structures—Managing Growth and Change

The Board:

The Board structure is crucial to developing and maintaining relationships with donors. The board members at most centers are expected to give each year. Many schools have layers of distinctions that donors receive and they have a variety of board functions to keep people involved in the organization.

HURRICANE ISLAND OUTWARD BOUND:

At HIOBS every board member must have experienced an Outward Bound course before they are to be considered for the board. Once they have achieved this, either through general courses, professional development or gues expeditions (see page 12) they then can be chosen as an advisory board member. From this advisory board the school culls new directors. After a director or important contributor to the organization has retired from duty on a board, they are often asked to become members of the “Company”, people who are distinguished for their service to the organization and still advise the school.



Managing Growth and Change

As schools grow, enrollment changes, and programs develop some of the older Outward Bound schools have had to make major changes. In the year 2000 Outward Bound Western Canada and Canadian Outward Bound Wilderness School became Outward Bound Canada. Similarly, the UK began to realize the importance of working together and created the OBUK Trust. In the US, there has begun a process of centralizing key administrative functions such as marketing, admissions, and safety which now occurs through OB USA.

OUTWARD BOUND CANADA:

When the two boards at the Outward Bound Centers in Canada decided they wanted to look into merging, they talked with Rudy Massimo, then Executive Director of the Canadian Outward Bound Wilderness School.

Initially, he was asked to write a business plan/proposal stating the merits of a consolidated operation and then to present it to the boards. Staff at the schools were not involved in this decision process because the boards felt it was their decision to make. The boards had an almost unanimous decision to merge after considering the plan and they asked Rudy and a transition committee with board members and senior staff to prepare a transition plan.

The merger has been difficult for some people due to a natural resistance to change; however most felt the merger was the most appropriate and sustainable way to move forward. To transition, they developed a national office that deals with all administrative functions (accounting, registration, course advising, marketing, etc) that they have found is more effective than ever. They also have a detailed plan for streamlining program, safety and staffing.

In addition a national office will help facilitate interest expressed in Alberta, Quebec and Baffin Island for Outward Bound programs.



Successful Fundraising Tactics

Trustees and Personal Solicitations:

This has been by far the most successful tactic used at schools around the world. People who care about Outward Bound, those who have experienced it and found it rewarding, are the people who give to it. Many schools have yearly requirements for its directors giving. In addition, directors and trustees are expected to solicit friends and colleagues to give. It is the role of the Executive Director to help the board cultivate and solicit funds from wealthy individuals.

Guest Expeditions:

Guest Expeditions or “Invitational Expeditions” as they are called in the United States, have been extremely successful in cultivating donors, board members and general support for Outward Bound. Each center runs their guest expeditions differently. Some are run similar to a regular but shortened Outward Bound course, while others are activities that are out of the ordinary and unique. Key features of guest expeditions include:

- The existing board participates and invite their friends/colleagues who can contribute money or expertise (e.g. free advertising).
- Participants pay the cost plus a contribution of \$1000 or more.
- Senior staff of the center lead the trips and can sell the mission of Outward Bound to participants

OUTWARD BOUND CANADA

In Canada guest expeditions have been very successful. Sixty percent of the money they spend on the expeditions comes back to OBCA. Typically they ask for \$5000 for a 5-day expedition and give back a donation receipt for \$3000. In Canada they have unique expeditions such as dog sledding in the Yukon.

HURRICANE ISLAND OUTWARD BOUND SCHOOL:

HIOBS likes to bring their invitationals to the course areas where students are. They have 5 invitationals a year with approximately 20 people per trip. The twenty people are split into two patrols with at least one trustee/board member and the most senior staff at the organization. During their five-day expeditions, the invitational will most likely cross paths with student patrols in the field

and get a chance to feel what it is like to be a student themselves. After the expedition, on the final celebratory day, the trustees and the development staff ask for a donation from the participants.

Black Tie Events:

Black Tie Events, which are traditional fundraising events, can be very successful for some schools. Other schools, such as OB Canada, have chosen not to run Black Ties because they do not make a lot of money from them. There are a variety of ways OB schools set up their events, below are two examples.

PACIFIC CREST OUTWARD BOUND SCHOOL

Kathy Velasquez, the Director of Development at PCOBS states that the “Black Tie and Tennis Shoes” events they hold each year “raise approximately 1/3 of PCOBS fundraising dollars.” To maintain their momentum in the corporate community and with participants, PCOBS holds them in three major cities once a year.

These events have become the “event to go to”, the most fun fundraiser in town. People dress in black tie and formal attire, wear their tennis shoes, and then come to the event, where ropes course activities occur for the first few hours before the auctions and dinner. PCOBS has their own events staff who help the board run the day. Program staff, who assist in the set up and facilitation of events, intermingle with donors and talk about the programs with them. Much of the income from these events goes directly to scholarships.

OUTWARD BOUND HONG KONG

At Outward Bound Hong Kong they too have the reputation for being the most fun fundraising event in town. Their Annual Fundraising Ball raises approximately HK\$1 million. They hold auctions, games that people can bet on. One of the most popular is a Frisbee throwing game where people win prizes. They keep speeches to a minimum and fun at a maximum. They have corporate sponsors and trust members buy tables and bring people along to introduce them to Outward Bound. Typically it takes a year to organize the event and they have one full time event staff working on it.



Successful Fundraising Tactics

Small Focused Gatherings:

Many schools have cocktail parties, dinners and lunches that are short, to the point and exclusive. Board members invite friends and potential donors to their houses where they meet the Executive Director and learn more about the programs. Rudy Massimo, at Outward Bound Canada, find these gatherings extremely successful because there is an expectation for people to give between CA\$15,000-\$50,000. At one lunch event in Canada, OB Canada was able to raise CA\$500,000 from 100 guests invited by one of OB Canada's Patrons.

Corporate Partnerships and Alliances:

Some schools have set up corporate partnerships and long term relationships that benefit both the company and the school. Others have links to corporate giving programs.

OUTWARD BOUND AUSTRALIA

In 1998, Outward Bound Australia began building targeted alliances with corporations. OBA is developing opportunities for corporate sponsors to send their families to programs, give in-kind donations and/or money.

For example, Toyota is going to send two disadvantaged schools near their factory on Outward Bound programs. They are paying for the course for students and utilizing the course as good PR in the community. OBA will also run staff trainings for Toyota and they will eventually receive vehicles.

Through the relationship, OBA gets free advertising in print and on television. They are hoping to develop a strong relationship with corporations in a number of sectors. So far they have had excellent results after relationship building for three years. They expect to work with these companies for 3-5 years.

Local Fundraising Opportunities:

Each country has special laws and opportunities for fundraising. Some schools take advantage of charity events in their local region to supplement their income.

OUTWARD BOUND HONG KONG

In Hong Kong, for example, there are special days called "Flag Day" where student volunteers stand on street corners with cans to collect change and money for Outward Bound. This is a government run activity organized by lottery for all the social service agencies in the city. In the past, OBHK has been able to make 1/3 of their fundraising dollars from one day of soliciting on the streets of Hong Kong.

OUTWARD BOUND UNITED KINGDOM TRUST

More than six thousand young people will benefit from money raised for The Outward Bound Trust in the 2002 London Marathon. The Outward Bound Trust is one of the two main charities to be supported by the London Marathon next year, and will be searching for 250 runners to complete the course and raise money for Outward Bound. This type of opportunity is does not occur yearly, however it encourages both publicity and raises funds periodically.



Direct Mail and Annual Giving:

Typically, direct mail has not been a successful tactic for fund raising. However, as schools build up their mailing list of alumni and donors, they utilize this list to solicit funds in an annual campaign. Schools have had mixed luck with corporate clients, some do not want solicitations they just want courses. While others have CEOs that fully support OB programs and encourage solicitation in their companies.



Successful Fundraising Tactics

Special Clubs and Honors:

To honor outstanding donors, many OB schools have “clubs” or honors. They have lunches or dinners and bring new potential donors to the events. If these prospective donors give, they become recognized members of the club.

OUTWARD BOUND UNITED KINGDOM

In the early development of OBUK schools they had alumni associations that were strong supporters of the center where they participated. Those alumni associations still continue to support individual schools, however, when the centers consolidated this caused friction between the trust and the local alumni associations. To build up the strength of the trust, they developed the Patrons program. These are people who give yearly in large sums to support the scholarship work of the school.

PACIFIC CREST OUTWARD BOUND SCHOOL

PCOBS has something called the “Carabiner Club” which consists of special dinners that have speakers. The club is open to people who support the school with \$1000 or more and their guests. The hope is that guests will become interested in OB and be more likely to support the organization.



HRH Duke of York honoring Charlie Stetson an OBI/ OB South Africa Donor

In Kind Donations:

Many schools look to reduce their costs by having in-kind giving programs. In-kind donations can be goods for use by the school, donations to events/ auctions, and services such as accounting audits.

PACIFIC CREST OUTWARD BOUND SCHOOL

The Pacific Crest Outward Bound School has developed a strong relationship with a boot company in the United States. After eight years of relationship building with the CEO, whom they cultivated through a connection on their board, they now have shipments of hundreds of new boots for their scholarship students who can't afford to purchase boots for programs. In addition, any boots left at the end of the year go to staff, who often have to pay large amounts of money (with small paychecks) for new boots each year.

Foundations and Government Grants:

Most of the older Outward Bound schools in the world have found that foundation and government grants are useful especially for programs that work with disadvantaged youth and adults. Both foundations and government grants, however, tend to dry up after a few years. Thus it is important not to create too much dependence on this funding or to diversify the foundations from which you receive funds.

OUTWARD BOUND USA

In the United States one of the most challenging safety issues is staff retention. Staff are constantly leaving the field for other pursuits after they have gained good experience and training at Outward Bound. To better understand the causes of this retention problem and to make concrete steps towards changing it, The Arthur M. Blank Family Foundation donated a three year grant to each US center to help them improve their staff retention. This grant came after a long relationship with the foundation and it is a good example of how the US centers worked together to receive funding that benefitted them all.