NOLS emboldens us to step forward.
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MESSAGE FROM THE PRESIDENT

When I was a teenager, I developed a viewpoint that when people hit middle age, they veered in one of two directions when it came to love and networks. The vast majority of older people acted like love was a zero-sum game: they closed ranks, building well-defined boundaries around their inner circle and family. But there were a number of unusual folks who went exactly the opposite way, blossoming their networks and relationships as they got older. They were open to everyone, and they were inspiring to me. Among them was Paul Petzoldt, who was wide open to everyone he met, who picked up hitchhikers on the road, and sometimes even offered them a job along the way.

Organizations often seem to follow similar paths and, as NOLS heads into our 53rd year, we recognize that as an organization, we are middle aged. At this stage, plateaus in growth, age, and success can prompt many organizations to circle the wagons, preserve, grasp stability, and protect what they have. This can lead to—in modern business jargon—a scarcity mindset, instead of an abundance or opportunity mindset.

This is not new for us: NOLS has faced the issue of limitations and concerns of insularity or closed-system thinking before. Our challenge now is to push beyond that, to pursue opportunities, think about possibilities, and not circle the wagons. We must extend our networks, expand our reach, and make sure we are spreading the NOLS love.

“Our challenge now is to push beyond that, to pursue opportunities, think about possibilities, and not circle the wagons. We must extend our networks, expand our reach, and make sure we are spreading the NOLS love.”

— John Gans

On the financial front, we hit our bottom-line budget, reached a new peak for our endowment, funded all of our designated reserves, and marked our second highest year for revenues.

Our recently administered staff survey shows engaged, committed team members who are also very happy with their work and their co-workers.

That’s a lot to be proud of just a few short years after our 50th anniversary.

The low points—the drop in revenue and student days we experienced—must be seen in light of the previous year’s record-breaking enrollment and revenue across almost all program areas. NOLS is now accustomed to setting records, and a year when a drop occurs in several areas is a disappointment.

At this challenging time in our society and our world, it’s easy to feel discouraged, but I find solace and optimism when I meet and listen to our students at the end of their courses. They have learned the power of competence, community, character, and leadership development. They have opened and expanded their horizons, their networks, and their knowledge of the world. They’ve metaphorically picked up the hitchhiker, proving NOLS matters, now, more than ever.
Getting into the wild can be a life-changing experience. It was for me on my first NOLS course when I was 14. I learned self-sufficiency, maturity, responsibility, and an appreciation for natural beauty. I am not alone: NOLS experiences have been transformative for many, many people.

That’s why I’m so delighted the state of our school is strong. We just completed our best year ever in the number of students we educated and our second best in student days. We’ve had a remarkable record of positive student experiences. We’ve had our second best year for revenue, and our endowment and net assets are at a record high.

But our job is not to pat ourselves on the back. Our fiduciary duty is to ensure NOLS remains viable for the next fifty years. And while we have strengths we can rely on over that time, there are areas of concern we must continue to watch.

They include our need to stay relevant to an increasingly diverse society. That our average shorter course length contributes unique operational challenges. And that enrollment on our semester-length courses is declining.

So, what’s going on? I’m convinced NOLS courses and semesters are the absolute best of their kind, and we do a strong job of getting the word out, but our customers are changing, and I’m concerned we may not be changing along with them.

What do we do if, despite quality courses and promotion, fewer people are looking for the type of experience NOLS provides? Do we sell harder? Do we change our programs to more closely match what students are looking for? Do we instead come up with entirely different offerings that support our objectives?

I’m not certain of the answers, but I know that by not asking these questions, or worse, by failing to respond to them, we risk irrelevance.

I understand that these types of changes may not be easy. I wouldn’t change a thing about what I learned as a 14-year-old student and how I learned it, but we have the responsibility to ensure NOLS is here—thriving, relevant, and providing life-changing experiences—50 years from now.

So, as we start our new fiscal year, I propose a New Year’s resolution for NOLS: Be flexible. Embrace the traditions that have made us successful in the past, but remain open to new ways of doing things. Listen to what our students are looking for and ask ourselves now what future students will be looking for, and if it’s on-mission, be prepared to offer it, even if it looks like nothing we have ever done.

With a strong commitment to the future, an attitude of adaptability while honoring our mission, and an outstanding and committed staff, I believe NOLS’ next 50 years will be our best.

Marc Randolph
Chair of the Board of Trustees

“Our fiduciary duty is to ensure NOLS remains viable for the next fifty years.”

— Marc Randolph
Engagement

FOSTERING COMMUNITY: ONLINE AND OUTSIDE
The place of social media has sometimes been controversial among lovers of the outdoors. Some people have embraced it wholeheartedly, using the Internet to learn about new campgrounds, connect with adventure partners, and create apps to ease wilderness travel. For others, technology has been an unwelcome intrusion in experiences often valued for their solitude and escape from the influx of information so characteristic of daily life.

At NOLS, we’ve been navigating this divide through thoughtful conversation and with students in mind. Though cell phones aren’t permitted in the field and we have yet to live-Tweet a course, at the same time we’ve used social media as a platform to forward our educational mission and help alumni connect.

Social media has enabled NOLS as an organization to stretch our muscles and innovate, too.

We’ve been delighted and surprised by the way NOLS grads have used social media as a platform for good. For example, when we asked members of the NOLS Alumni Texas Facebook group how they were responding to Hurricane Harvey in August of 2017, they used the page to coordinate aid and figure out ways they could help. Our active and growing Instagram community proudly tags NOLS in photos of adventures with family and friends, continuing to spread the word and maintain their connections to the outdoors.

Social media has enabled NOLS as an organization to stretch our muscles and innovate, too. Our Tales from the Trail video series, hosted on YouTube and our own website, invited seven alumni (and one parent) to share their stories of success, failure, challenge, and excitement through storytelling and animation. In one video, Grace and Grit, NOLS Alaska graduate Kira shares how her instructor’s knowledge and mentorship inspired her to pursue a career in the sciences. Taking advantage of platforms like these has helped us illustrate the far-reaching and sometimes unexpected impacts of our courses.

In the past, finding people connected to NOLS often depended on spying a half-destroyed sticker on a water bottle, or meeting other grads at a once-a-year alumni reunion. Now, the digital world, in its own way, has become as important as the physical classrooms and wilderness areas our courses explore. It’s the place where grads form relationships and keep up old friendships, make new connections and dream of the next adventure. Fortunately, it hasn’t caused grads to forego other ways of connecting—alumni reunions remain as lively as they ever were, and there’s nothing that beats that rush of excitement when you see a stranger wearing a NOLS cap.

Social media also helps us reach out to more people new to the school. The Internet has no barrier for entry, and NOLS uses social media to share our educational content with anyone going to the outdoors. When a casual browser finds NOLS’ YouTube videos on pack packing or making a splint, or when they download the app we made with a template of the SOAP report for first aid situations, they’ll know where to go when they want to get the training themselves. Even though it will be a long time (if ever) before we include a GoPro when we issue students, we’re happy to continue innovating and creating spaces where grads can stay connected with NOLS and each other.
ENGAGEMENT

NOLS: CLIMBING
DENALI
SINCE 1971
Climbing North America’s highest peak is a challenge under any circumstances. Climbing by starting from only 2,000 feet above sea level is another feat altogether.

When NOLS alumni gather for the yearly expedition to climb Denali, they forgo the comforts of a guided trip for a grueling experience that’s over a month long—hiking in from the trailhead rather than getting dropped off at a base camp by bush plane, hauling their own gear, and cooking their own meals. At the end of the expedition, summit or no summit, they turn around and bring everything back down with them, including caches of their own trash.

Why climb a mountain in this style? If it were simply for the prize of the summit, there are (relatively) easier paths up the mountain. There must be something in the expedition itself, something about a group of people deciding to take on a common goal together that has no guarantee of success.

As a mountain, Denali, formerly known as Mt. McKinley, is formidable. Mountaineers train constantly before attempting to climb it, and are still turned away from the summit at a ratio of 2:1. Its slopes are decorated with snowy couloirs and icy seracs, requiring attention to detail, good judgement, and experience with glaciers to navigate. It also has a rich history, being central to Native Alaskan creation myths and immersed in tall tales of ascents, alleged and real, of its many faces and ridges by climbers throughout the years.

NOLS trips have attempted to climb the mountain nearly every summer since NOLS Alaska opened in Palmer, Alaska in 1971. The route NOLS follows, the Muldrow Glacier route, is the same one that Denali’s first ascentionists took in 1913. Today, only 2 percent of climbers climb this way. That’s the appeal for many a NOLS grad: multiple-NOLS grad and photographer Stéphane Terrier writes, “For me, fewer people on the route meant more adventure.”

Being able to say one climbed Denali invites admiration; actually climbing Denali, however, is far from glamorous. Tod Schimelpfenig, curriculum director for NOLS Wilderness Medicine, remembers of his 1978 climb that much of the trip was about “camping and taking care of yourself.” The majority of the thirty-five-day expedition consists of pure work: hauling sleds of gear up the mountain to stash supplies, digging snow caves, melting snow for drinking water, and looking after the group. So when alumni join the expedition, they’re choosing to spend their precious free time slogging uphill in the cold and hunkering against the mountain’s notoriously unpredictable weather.

It’s an odd way to spend a vacation, but one that anyone who’s ever felt the fierce satisfaction of overcoming a tough obstacle, and the camaraderie that comes from meeting such obstacles on a team, will understand. For Naval Academy alumnus from the 2016 Denali attempt Nate Bermel, “it really felt like a team sport. It was a team. We all relied on and needed each other to perform and succeed.”

After returning from a successful summit attempt in 1980, NOLS risk management director Drew Leemon remembers the pleasure of simply “smelling dirt” after over three weeks on the mountain. He and his group had reversed a route that had taken them nearly three weeks to climb in only two days, and finding the rich life of the tundra (mosquitos included) was a welcome return after weeks of snow and rock.

Denali requires mental endurance as much as physical endurance. Up until the 1990s, a helicopter rescue on the mountain wasn’t an option, and even today a helicopter rescue is a challenging endeavor. Both Drew and Tod recalled the “committing” quality of this climb, and the need for personal responsibility and caring for yourself and your team. Even though rescues these days are somewhat easier, Denali is still a remote mountain, and that quality of personal responsibility remains of utmost importance.

What’s fascinating about this sense of remoteness is that, even though it’s the most dramatic in “big” wilderness areas like Alaska, this sense of being far away can be found in places closer to home. When someone on a NOLS trip, maybe about to spend their first night outside, tops a ridge and can’t see any human-made structures, a certain look appears on their face. It’s a look of wonder and apprehension—we’re out there.

Being out there. Denali is a big mountain, but the qualities needed to climb it are the basics, the core skills taught on any NOLS course. It’s about camping on snow and having technical glacier skills—but it’s also about seeing inherent value in challenges, pursuing wilderness experiences, and pruning the teamwork it takes to make this kind of expedition succeed.
ENGAGEMENT

HOW DO YOU MEASURE A NOLS COURSE?
The length of a NOLS expedition has been in flux almost constantly since the school was founded in 1965—trimming days off of some courses and adapting others into months-long experiences. Changing the course structure has been a way for NOLS to adapt to what our students need—trying, as always, to meet people where they are.

In recent years, we’ve grown the number of courses shorter than the formerly standard thirty days. They range from two-and-a-half-day Wilderness First Aid courses to customized courses for business schools to two-week courses for adults, including a number of all-women courses. At first, there was concern that these courses couldn’t capture the same magic of a thirty-day expedition, that thirty days was essential for students’ personal growth. What we found when we talked to these graduates was that the impact isn’t any less.

Take NOLS grad Dave Dulong. After taking a two-week Prime course in Alaska’s Brooks Range with his partner, he changed from his formerly sedentary life as a hard-charging software distributor and set a goal of running his first marathon. Today, he has run multiple marathons, and turned this new passion into a way to raise money for lymphoma and leukemia research.

Individuals like Dr. Trahan or Dave Dulong might have found monthlong commitments impossible. Shorter courses have made a NOLS experience attainable for them. To the parent of three with a full-time job, two weeks away is a gift rather than a stress inducer. To the high-schooler who has never slept outside, a one-week course over spring break is an adventure rather than an exile, a pathway to connection with the outdoors.

Is a week too short for a NOLS course? We used to wonder if that was true, and we decided to try out the idea, to see if we could provide meaningful leadership opportunities in a shorter timeframe. And we did.

That’s because a NOLS course isn’t measured in days, and never has been. It’s measured by experiences that have impact and, more importantly, by the actions of our graduates after their courses end. Decisions to protect the integrity of wild places. Decisions to step forward and say “I can help” when a crisis strikes. To support the goals of their peers and find value in differing opinions. When you measure a NOLS course that way, the possibilities for what they can look like are endless.
The NOLS Fund experienced another very successful year, beating an aggressive $1,914,000 goal by more than 3 percent, and bringing to five the number of consecutive years the fund has met and exceeded its goal.

Gifts from 3,061 generous graduates, employees, friends, and families—about 65 more than last year—helped us get to a total of over $1,974,282. Sixty-eight percent of dollars donated were unrestricted, allowing NOLS to put donations where they were needed most.

The average gift amount was down slightly from last fiscal year, and the $2 million mark, reached in both 2015 and 2016, was narrowly missed. While the average gift amount was down a notch, retention rate saw a significant leap from 50 percent to 55 percent.

The number of gifts given online was up 12 percent, from 802 in 2016 to 898 this year. Giving through on-line payment service Pay Pal, however, didn’t keep pace with last year’s strong presence.

We appreciate your gift because every gift made to the NOLS Fund is important. The scholarships you help fund empower NOLS students to see the beauty in wild places, learn leadership practices, and translate lessons learned in the backcountry to their lives in the frontcountry through transformative experiences.
DONOR STORY | CHARLIE ZWICK
Instructor Donates to Fund Scholarships

As an Instructor Course (IC) student in 1997 without previous NOLS experience, everything was new for Charlie Zwick, from how to set up a Thelma fly to what NOLS acronyms meant. He was 49 years old at the time, a student alongside others half his age.

Charlie went into the IC to learn advanced backcountry techniques and especially to gain teaching skills and experience. He was considering a career change to education and his NOLS course convinced him he could teach and enjoy it. He became a NOLS instructor and later a certified public high school science teacher.

Now 69, Charlie is a current NOLS instructor, most recently teaching a Wind River Wilderness Prime course in July. He continues to learn as well, saying, “I always have room to grow in increasing my tolerance for adversity and uncertainty.” Charlie’s “teachers” include the unpredictability of weather, challenging terrain, and hesitant students moving out of their comfort zones. Charlie believes increasing tolerance works for students, too, saying, “NOLS helps students break their personal glass ceilings. NOLS courses are not easy, physically or emotionally, and typically present multiple opportunities to develop grit and resilience—great skills in the wilderness and later at home.”

Charlie calls being a NOLS instructor the best job he’s ever had. “NOLS has given me a belief that I can do almost anything that needs to be done, on course or in my non-NOLS life.”

He has donated to NOLS for years and has named the school in his will because he believes in the power of scholarships. “Over the years some of my best, most motivated students have been scholarship recipients of all ages,” Charlie said. “I’ve seen the benefits of scholarships firsthand.”
A fiscal commitment to a strong future, and the hard work and foresight required to achieve it, is the hallmark of a well-run organization. NOLS has that in a robust endowment.

As funds in the endowment are invested and generate income year after year, they allow powerful leadership education and outdoor experiences to be made available to all who seek them, and ensure stability for current needs and future demands.

In 2017, the NOLS endowment grew by $6,037,000, an increase of more than 17 percent, credited to a combination of strong philanthropic support, board designations, and very positive investment returns.

Thanks to a generally favorable investment market, the endowment portfolio saw a return of 13.7 percent, helping us reach one of our strategic goals as the balance of our endowment was higher than our operating revenue by year’s end.

Expansion in the endowment was also the key factor in making 2017 one of our best years for growth in overall assets. Four percent of our professionally managed endowment was released in FY17. That was almost $1.25 million to support the school’s mission and important initiatives like our scholarship program and outreach activities.

Through the NOLS endowment, we recognize financial stability happens over time, not overnight, and that plans made now ensure a solid future for years to come.
Risk and consequence give our education relevancy and practicality. Risk is inherent in the remote locations through which we travel and our approach to risk is one of respect gained through knowledge, skill, experience, and expertise. We value critical thinking, reflection on experiences, resiliency in difficult times, and commitment to our students. We continually enhance our systems of risk management as societal expectations change, wilderness travel techniques evolve, and technology improves and develops. Risk management is a core element of our curriculum, pedagogy, and organizational culture.

Our risk management performance in 2017 was successful. However, as always, the dynamic wilderness environment coupled with the frailties of human nature did present some interesting challenges. Following are the year’s results:

- There were 504 medical incidents (injuries and illnesses). Injuries were 41 percent and illness was 59 percent of medical incidents. This is only the third time in 33 years that illness exceeded injury.
- There were 148 medical evacuations. Twenty-nine percent of medical incidents were evacuated. The evacuation rate of 0.89 evacuations per 1,000 program days was the sixth lowest rate in 33 years.
- Our most serious medical incidents were three cases of severe allergic reactions (anaphylaxis).
- Our emergency and evacuation systems worked smoothly and effectively at all our locations worldwide. Most evacuations were logistically straightforward, but about 20 percent were more complicated and required additional assistance including the use of helicopters, power boats, and fixed wing aircraft.
- Out of all field course students 8 percent had a reportable injury or illness and 2 percent were evacuated. In total, 2.6 percent of field course students had to leave NOLS before the end of their course: 1.3 percent each for medical and non-medical reasons.
Travel in wilderness means you’ll likely encounter wildlife, which is a highlight of any NOLS course. Sometimes, though, wildlife gets closer than you want and can present a hazard. Close encounters with wildlife account for 10 percent of all reported near-miss incidents, but injuries from wildlife are rare and account for less than half of one percent of injuries.

Last year, a sea-kayak course in Prince William Sound, Alaska, had a close and very unusual encounter with sea lions. Male Steller sea lions can grow up to 11 feet in length and weigh 2,500 pounds.

The course was traveling in seven kayaks along a steep coastline with cliffs and caves. A sea lion appeared approximately 30 yards away and within five minutes, six more appeared. They were swimming around the kayaks, popping their heads out of the water, and snorting. The group began to move away from shore thinking the sea lions would stay near shore. However, the sea lions became more agitated and were coming within five yards of the kayaks. The group paddled faster, but got spread out, so they stopped and tied the kayaks together into a raft.

The instructors, on the outer edges of the group, began paddling to move the group back toward the direction they had come from. The sea lions were now bumping the raft with their bodies, biting rudders, and pulling on the rudder cables.

An instructor tried unsuccessfully to scare the sea lions away with an air horn. The other instructor tried to scare them off with a handheld flare; that, too, didn’t discourage them. Everyone could feel the raft being lifted from the sea lions bumping against hulls of the kayaks. One instructor had a sea lion bump her elbow.

They radioed a mayday call, to which the U.S. Coast Guard responded by radioing a request that any vessels in the area come to the group’s assistance. The vessel Tango said they would respond.

When Tango arrived, its presence did not deter the sea lions, who were attempting to push their heads through the small gaps in between kayaks. While one instructor held onto Tango everyone crawled across the raft of kayaks one at a time and onto Tango. Once on board, they watched the sea lions’ continued aggressive behavior toward the kayaks. Tango transported the group and their kayaks to a beach a few miles away and dropped them off. The course continued without further mishap.

According to experts, this was highly unusual behavior, and the situation was handled well by everyone.
**HIGHLIGHTS | FINANCIAL**

**SOUND FINANCIAL FOUNDATION PROMOTES NOLS’ MISSION**

**NOLS Balance Sheet**
Aug. 31, 2017 and 2016

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<thead>
<tr>
<th>Assets</th>
<th>2017</th>
<th>2016</th>
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<tbody>
<tr>
<td>Cash</td>
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<tr>
<td>Investments</td>
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<td>Merchandise</td>
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<td>Other</td>
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<td><strong>Total assets</strong></td>
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<td><strong>$93,870,000</strong></td>
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<table>
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<tr>
<th>Liabilities and net assets</th>
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<td>Student deposits</td>
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<td><strong>Total liabilities</strong></td>
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<td><strong>Net assets</strong></td>
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<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td><strong>$100,573,000</strong></td>
<td><strong>$93,870,000</strong></td>
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As we come to the end of our fifty-second year, it is with great pride that we are able to once again announce that the financial position of NOLS has never been stronger. Through the hard work of staff and the guidance of our supporters, we’ve been able to operate in a very fiscally responsible manner at all levels of NOLS, which is clearly reflected in our balance sheet. We know that the greatest strength of NOLS is our mission, but also that a strong financial foundation is needed to carry that mission into the future. Through a combination of a growing endowment, identified reserves, and lack of long-term debt, we believe that we have built that foundation.

Our endowment is an increasing piece of our financial foundation providing support for our scholarships and mission. Over the last eight fiscal years, the value of the endowment portfolio has more than tripled, growing to $39,564,000. We are certainly grateful for the support from our friends in building this piece of our financial foundation. The trust placed in us by the supporters of our endowment is humbling, and the prudent management of this important resource continues to be a critical goal for us as it is a key to our mission.

The financial resources that have been generated over these past fifty-two years from operations and by support from our donors are an important responsibility and opportunity for NOLS. A core organizational feature identified in our current strategic plan is to maintain our disciplined financial stewardship. One of the ways we’ve achieved this is by creating and funding cash reserves. These reserves have been created not only to sustain us in difficult circumstances but also to allow us to pursue opportunities to expand our reach and mission. We will continue to invest and use our financial reserves to support our students and mission while protecting the integrity of our financial resources.
Our Statement of Activities is reflective of a challenging operating year. In fiscal 2017, we saw a decrease in our total program revenue of $943,000 compared to the prior year. This was due to lower enrollment in our major program areas, primarily in our Expedition programs. In total, we saw our revenue from tuition and fees decrease from 80 percent of our total revenue in fiscal 2016 to 72 percent in fiscal 2017.

A positive in the operating statement is the manner in which staff responded to this decrease in revenue. Thanks in large part to excellent expense management, we met our budgeted change in net assets from operations. Being able to achieve our overall budget target in a year of operating challenges is a significant accomplishment.

One of the highlights of the fiscal year was the strong support we received from our many donors. In fiscal 2017, our total philanthropic revenue was $4,444,000, an increase of $1,736,000 from the prior year.

Another highlight of the financial year was our investment returns. We benefited from the overall rising markets and for the fiscal year our investment returns, primarily in our endowment, totaled 13.7 percent. The gains on our investments, along with the continued support from our friends, added to both the current year and our future.
NOLS Statement of Activities
For the fiscal years ending Aug. 31, 2017 and 2016

<table>
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<tr>
<th>Revenues and Other Support</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
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<th>Total 2016</th>
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<td>$-</td>
<td>$31,468,000</td>
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<td>$-</td>
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<td>4,519,000</td>
<td>2,272,000</td>
</tr>
<tr>
<td>Gain (loss) on sale of equipment</td>
<td>39,000</td>
<td></td>
<td></td>
<td>39,000</td>
<td>16,000</td>
</tr>
<tr>
<td><strong>Total investment and other revenue</strong></td>
<td>$2,632,000</td>
<td>$3,222,000</td>
<td></td>
<td>$5,854,000</td>
<td>$3,418,000</td>
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<tr>
<td><strong>Total revenue and other support</strong></td>
<td>$38,769,000</td>
<td>$2,570,000</td>
<td>$2,198,000</td>
<td>$43,537,000</td>
<td>$40,308,000</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program</td>
<td>$28,267,000</td>
<td></td>
<td></td>
<td>$28,267,000</td>
<td>$27,764,000</td>
</tr>
<tr>
<td>Administration</td>
<td>6,380,000</td>
<td></td>
<td></td>
<td>6,380,000</td>
<td>6,670,000</td>
</tr>
<tr>
<td>Fundraising</td>
<td>964,000</td>
<td></td>
<td></td>
<td>964,000</td>
<td>890,000</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>$35,611,000</td>
<td></td>
<td></td>
<td>$35,611,000</td>
<td>$35,324,000</td>
</tr>
<tr>
<td><strong>Change in net assets</strong></td>
<td>$3,158,000</td>
<td>$2,570,000</td>
<td>$2,198,000</td>
<td>$7,928,000</td>
<td>$4,984,000</td>
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</table>
The last seven years have been a time of continued growth in both the educational impact and financial position of NOLS. Each new fiscal year presents us with a new set of operational and financial opportunities and challenges. We are proud of how staff in all areas of NOLS responds to these challenges and opportunities and continue to move us forward.

Our net assets have increased in each of the last seven years and have nearly doubled over this time. Growing our net assets is not a part of our mission but it is a key part of our financial foundation. These continued positive results are indicative of the commitment of NOLS staff and supporters to insure the NOLS mission thrives today and into the future.

While each of the last seven years is a collection of unique stories, NOLS has consistently seen strong operating results and support from our friends. Contributions to our mission have continued to grow through gifts to the NOLS Fund, our endowment, the International Base Camp Initiative, Campaign NOLS, and the Wyss Wilderness Medicine Campus. Gifts to these campaigns over the past seven years have reached nearly $30 million. Thanks to the support and efforts of many, we continue to build on the successes of our past and look to our future from a strong financial position.

We recognize the importance of being excellent stewards of our financial resources. Our positive financial results and strong balance sheet are due to the support and efforts of many, and will help us to carry our mission into the future.
# NOLS Seven-Year Financial Highlights

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</thead>
<tbody>
<tr>
<td><strong>Total Assets</strong></td>
<td>$100,573,000</td>
<td>$93,870,000</td>
<td>$88,587,000</td>
<td>$87,532,000</td>
<td>$79,100,000</td>
<td>$71,140,000</td>
<td>$66,675,000</td>
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<tr>
<td><strong>Total Liabilities</strong></td>
<td>$11,519,000</td>
<td>$12,742,000</td>
<td>$12,443,000</td>
<td>$11,916,000</td>
<td>$11,674,000</td>
<td>$11,847,000</td>
<td>$13,112,000</td>
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<tr>
<td><strong>Net Assets</strong></td>
<td>$89,054,000</td>
<td>$81,128,000</td>
<td>$76,144,000</td>
<td>$75,616,000</td>
<td>$67,426,000</td>
<td>$59,293,000</td>
<td>$53,563,000</td>
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## Revenue

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<tr>
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<tbody>
<tr>
<td><strong>Program</strong></td>
<td>$33,239,000</td>
<td>$34,182,000</td>
<td>$32,998,000</td>
<td>$32,182,000</td>
<td>$30,724,000</td>
<td>$29,512,000</td>
<td>$28,661,000</td>
</tr>
<tr>
<td><strong>Contributions</strong></td>
<td>4,444,000</td>
<td>2,708,000</td>
<td>3,103,000</td>
<td>3,234,000</td>
<td>5,998,000</td>
<td>4,923,000</td>
<td>5,126,000</td>
</tr>
<tr>
<td><strong>Investment</strong></td>
<td>5,815,000</td>
<td>3,402,000</td>
<td>(1,497,000)</td>
<td>5,199,000</td>
<td>2,794,000</td>
<td>978,000</td>
<td>1,833,000</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>39,000</td>
<td>16,000</td>
<td>53,000</td>
<td>67,000</td>
<td>1,000</td>
<td>62,000</td>
<td>(160,000)</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>$43,537,000</td>
<td>$40,308,000</td>
<td>$34,657,000</td>
<td>$34,882,000</td>
<td>$39,517,000</td>
<td>$35,475,000</td>
<td>$35,460,000</td>
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## Expenses

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<tr>
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<tbody>
<tr>
<td><strong>Program</strong></td>
<td>$28,267,000</td>
<td>$27,764,000</td>
<td>$26,516,000</td>
<td>$25,231,000</td>
<td>$25,464,000</td>
<td>$24,326,000</td>
<td>$23,313,000</td>
</tr>
<tr>
<td><strong>Fundraising</strong></td>
<td>964,000</td>
<td>890,000</td>
<td>858,000</td>
<td>864,000</td>
<td>909,000</td>
<td>974,000</td>
<td>837,000</td>
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<td><strong>Administration and Interest</strong></td>
<td>6,380,000</td>
<td>6,670,000</td>
<td>6,755,000</td>
<td>6,397,000</td>
<td>5,011,000</td>
<td>4,445,000</td>
<td>4,156,000</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>$35,611,000</td>
<td>$35,324,000</td>
<td>$34,129,000</td>
<td>$32,492,000</td>
<td>$31,384,000</td>
<td>$29,745,000</td>
<td>$28,306,000</td>
</tr>
<tr>
<td><strong>Change in net assets</strong></td>
<td>$7,926,000</td>
<td>$4,984,000</td>
<td>$528,000</td>
<td>$8,190,000</td>
<td>$8,133,000</td>
<td>$5,730,000</td>
<td>$7,154,000</td>
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## Number of Students

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<tr>
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</thead>
<tbody>
<tr>
<td><strong>NOLS field courses</strong></td>
<td>4,833</td>
<td>5,141</td>
<td>4,698</td>
<td>4,320</td>
<td>4,210</td>
<td>4,056</td>
<td>3,889</td>
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<tr>
<td><strong>NOLS classroom courses</strong></td>
<td>21,711</td>
<td>20,771</td>
<td>19,010</td>
<td>16,763</td>
<td>15,853</td>
<td>14,288</td>
<td>13,258</td>
</tr>
<tr>
<td><strong>Total students</strong></td>
<td>26,544</td>
<td>25,912</td>
<td>23,708</td>
<td>21,083</td>
<td>20,063</td>
<td>18,344</td>
<td>17,147</td>
</tr>
<tr>
<td><strong>Number of student days</strong></td>
<td>227,853</td>
<td>231,912</td>
<td>224,256</td>
<td>217,559</td>
<td>208,787</td>
<td>205,155</td>
<td>202,957</td>
</tr>
<tr>
<td><strong>Scholarship recipients</strong></td>
<td>900</td>
<td>1,030</td>
<td>883</td>
<td>603</td>
<td>624</td>
<td>613</td>
<td>618</td>
</tr>
<tr>
<td><strong>Scholarships awarded</strong></td>
<td>$1,722,000</td>
<td>$1,930,000</td>
<td>$1,761,000</td>
<td>$1,543,000</td>
<td>$1,543,000</td>
<td>$1,519,000</td>
<td>$1,462,000</td>
</tr>
</tbody>
</table>
DONOR STORY | KARENNA ARMINGTON

NOLS Transformed Her Son’s Life

Karenna Armington says supporting her son’s NOLS course was the wisest decision of her parenting journey.

Elliot, 26, completed a Semester in the Rockies in 2011, after years of challenges. Though intelligent and big hearted, Elliot was diagnosed with learning difficulties in first grade. Karenna concedes she overcompensated with laser focus on his education, leaving Elliot “threadbare after years of pressure to perform in demanding schools.”

He went off to college, was asked to leave, and returned again. It was an unsuccessful decision, and Elliot returned home depressed and discouraged.

A friend suggested the family consider NOLS and Elliot was immediately intrigued. “As we navigated through the NOLS website, it was as if rain finally fell in the desert,” Karenna said. Despite concerns about sending him away again, Karenna supported Elliot’s decision to enroll. It was a good choice.

“The instructors were professional, passionate, and competent in the outdoors—philosophers, environmentalists, and all-around first-rate human beings,” Karenna stated.

Elliot’s post-course change was palpable: as he approached her in the airport on his return, Karenna noticed a different stride, a self-assured gait. But that was only the beginning. She believes Elliot’s charisma, humor, and zest for life came from the confidence he brought back from those few months, and are the backbone for his “I've got this” attitude. Elliot now returns to the Wind River Mountains and wilderness areas near his home in Colorado to backpack and climb, occasionally hosting his parents on backcountry trips.

That transformation is why the family established an endowed scholarship. “The term ‘outdoor education’ minimizes what NOLS does,” Karenna said. “What students learn about themselves, and themselves in relationship to other humans is what it’s all about. I will forever be grateful to NOLS for all that my son received and I show my gratitude with gifts to NOLS.”
DONOR STORY | RICHARD ROSENFELD
Tea Company Founder Donates Percentage of Sales

In the mid 1990s, a friend handed Richard Rosenfeld a NOLS catalog and said he'd applied for a wilderness course—at the age of 42. A year later, at a crossroad in his own career, Rosenfeld took his friend’s lead and applied for the NOLS Instructor Course (IC).

“As we were hiking back to the road head at the end of that IC, I realized I could pretty happily spend another 30 days in the wilderness,” Rosenfeld remembered. He spent many more days there as a NOLS instructor, but Rosenfeld also founded Two Leaves and a Bud tea company, applying leadership principles learned at NOLS.

“I’ve been cast in leadership situations from a young age, but my default style was always one of leading from the rear,” Rosenfeld said. “NOLS taught me that I lead just as well from the front and that followers appreciate directive leadership.”

In addition to Rosenfeld’s personal gifts to NOLS, Two Leaves and a Bud donates one percent of all sales of their Alpine Berry organic herbal tea to support the NOLS scholarship fund with the goal of giving a NOLS education to everyone who wants it.

“We believe what you learn on a NOLS course is of great value and cannot be duplicated anywhere else,” said Rosenfeld, who continues to instruct courses. “NOLS graduates truly become leaders in the outdoors—the ones who know how to find the route, to care for their team, to do everything possible to get to their destination safely and have fun, and maybe learn something along the way. You learn that in the outdoors, but you take it with you wherever you go.”

He recalled an experience as the instructor of a student from inner-city Chicago who began her course “so out of her comfort zone” but changed in remarkable ways by the end.

“If our donation helps NOLS change the lives of more students like this, then that’s the best expense our company can make,” Rosenfeld said.
Seven years ago, Sarah Hiza returned from her first NOLS course, Scandinavian Backpacking Prime, having learned lessons about herself that shape her today.

Hiza, a director for the Fleet Ballistic Missile Program at Lockheed Martin Space Systems Co., calls herself a “driver” personality, so being patient with coursemates was her lesson in tolerance for adversity.

“There were moments when I wanted to get moving, make a decision, or simply start a camp task,” she remembered. “I realized that by not pushing inconsequential issues, my teammates remained relaxed and everything got done eventually.”

Also challenged by weather and bugs, Sarah learned “eating, sleeping, hiking, and setting up camp had to proceed as the rain poured, as the wind howled, or as the mosquitos bit.” Now, the avid outdoorswoman and three-time NOLS grad no longer lets weather prevent her from getting outdoors.

Leadership, Sarah said, is a balance of dichotomies. “A good leader is constantly checking and refining that balance between humility and confidence, knowledge and intuition, a plan and flexibility, and decisiveness and consensus.”

Known professionally for her grit, Sarah approaches seemingly unsurmountable challenges at work with focused preparedness, the right tools, good risk management, a goal-oriented attitude, and an inclusive, persevering team. Learned at NOLS, these skills “make almost everything conquerable and doable.”

Sarah is an Advisory Council member who gives to NOLS financially and of her time because her experiences had a profound influence on her.

“I feel most at home when I’m with the NOLS community, both the ones I already know and the ones I just haven’t met yet,” she said.

Sarah encourages others to give back and stay involved too, through a local NOLS event or a NOLS alumni trip.

“You will reunite with like-minded NOLS folks who will be happy you’re there.”
For Shireen Khan, wowing her family with homemade cinnamon rolls while camping recently near their Seattle home was a fun takeaway from her 1985 Wind River Wilderness course. But larger lessons have also stuck with her, like stretching herself beyond what she thinks she is capable of, working together for a common goal, and knowing adversity can instill confidence.

“It snowed after the first week and we had only tarps for shelter,” Shireen remembered of her course. “We had to descend back below tree line after very slowly hauling my 72-pound pack up there, and we had to evacuate someone. We did it safely, though it was more than I thought I could do.”

Collaboration as a means to success is another lesson. When travelling without instructors at the course’s end, Shireen and her coursemates worked together using newly learned navigation skills, making certain they agreed on their path and that everyone knew their location. “Pooling our knowledge and having everyone feel a sense of responsibility, I think, increased our likelihood of success,” she said.

That’s still relevant, Shireen said. “I realize collaboration and making use of everyone’s ideas and expertise is still what I consider the likeliest way to succeed.”

Shireen’s NOLS experience also gave her confidence to venture further into the wilderness than she ever had, rejuvenating her. “I love knowing that I can explore safely and even luxuriously,” she said, laughing about her cinnamon-roll success.

Shireen donates to the NOLS Fund—and, in fact, is a NOLS Decade Donor, one who’s made a gift every year for at least the last 10 years—because she believes the more people who learn to love and respect nature the better.

“NOLS educates people to enjoy and love wilderness, to leave no trace, and to try to leave places better than when you arrived if possible,” she reflected. “NOLS has such a great program, and is staffed by people so passionate and committed to the NOLS mission. It has always made sense to me to support NOLS however I could.”
The newest members of the NOLS Summit Team, the honor society for those who make a planned gift to the school, included NOLS in their will because they believe in the school’s mission.

“It was easy to leave a percentage of our retirement savings to NOLS,” said Terri Watson, a current NOLS Wilderness Medicine instructor, of the choice she and wife, Kimi Harrison, made to join the Summit Team. “I know when we leave this earth, a bit of support and a vote of confidence is given to a community we believe in.”

A former airplane-and-helicopter pilot in the U.S. Army who later started her own aviation company, Terri transitioned to executive work with non-profits, all while employed as a NOLS instructor.

Kimi worked for NOLS from 1983 to 2008 as a field instructor, program supervisor, and program developer. Now a U.S. Coast Guard Captain and licensed ship-and-yacht salesperson, NOLS taught her self-reliance and confidence. Combining that with passion, perseverance, training, and knowledge, Kimi learned she can accomplish anything.

“Dealing with adversity and uncertainty is much like dealing with a hard multi-pitch climb,” she said. “Looking at it all at once it’s daunting, but breaking it down into small, bite-sized chunks is a key to success.”

For Terri, tolerance for adversity and uncertainty is also paramount. “Somehow, at home, we think life owes us predictability,” she reflected, “but the same forces that throw us curve balls on a NOLS course exist at home.”

Working as a non-profit executive helped inform Terri’s choice to leave NOLS in her will. “I know high staff giving-rates and 100 percent participation from volunteers is the vote of confidence that inspires other people to join in,” she explained. “If I had one wish, it would be to convey to all the NOLS community what amazing outcomes result when everyone gives even a small donation.”
DONOR STORY | PIP COE

Scholarship Honors Retiring Alumni & Development Director

NOLS is pleased to announce the establishment of an endowed scholarship fund in honor of longtime NOLS Alumni and Development director, Pip Coe.

NOLS President John Gans, who initiated the Pip Coe Endowed Scholarship, said Pip has given of her time, energy, passion, and expertise.

“She has always been a supporter of scholarships and further diversity at NOLS,” he said. “It seemed fitting to establish an endowed fund that would continue to give to our students and mission, just as Pip has given to NOLS for the past 26 years.”

John’s goal was to raise $125,000, which would cover a scholarship for a month-long course, before Pip left her position in early 2018, but the fund rapidly reached nearly twice the original goal. It will continue as an endowed fund that people can support at any point in NOLS’ future.

“This arrangement both supports scholarships in perpetuity and celebrates the phenomenal service that Pip has given to our students, staff and mission,” John said.

Pip started her NOLS career as an instructor in 1992 after working as a commercial raft guide, and canoe-and-kayak instructor. She was the co-director of the NOLS river base in Vernal, Utah from 1993 to 1997, and operations manager of NOLS East Africa from 1997 to 1998. After two years as the Alumni Relations director, Pip became the Alumni and Development director in 2001.

In that year, NOLS gave out $842,000 in scholarship support. Last year, that more than doubled to $1,930,000. In 2001, NOLS educated 9,092 students; today that number has increased nearly threefold to 26,025 students. In 2001, our endowment was $7.8 million; today the endowment is $37.6 million. This nearly five-fold increase has allowed us to increase scholarships, significantly increase compensation, and dramatically increase the reach of the NOLS mission.

Pip led NOLS through the $10 million International Base Camp Initiative, which built our headquarters and renovated the Noble Hotel. She spearheaded Campaign NOLS, a $20-million-dollar campaign that concluded in 2013 and, concurrently, a separate $4.5 million campaign for the Wyss Wilderness Medicine Campus. She also organized the 50th anniversary events around the country and in Lander.

“Possibly even more important than all the above achievements, Pip provided exceptional leadership on the NOLS executive team,” said John. “She has delivered unprecedented success for our mission and organization. Simply put, Pip has changed the face of the school in a stunning and spectacular way. She has helped make us a far more effective organization.”

THANK YOU, PIP!