



HI USA

**FREQUENTLY ASKED QUESTIONS:
2017 STAKEHOLDER FORUM RESPONSES
- BROADCAST ON 10 DECEMBER 2017 -**

This FAQ represents a comprehensive picture of Hostelling International USA (HI USA) based on questions we have received annually from our stakeholders.

Since 2014 we have broadcast on the web a stakeholder forum to share our organizational progress with donors, members, staff and volunteers. As part of the forum, we invite questions in advance about HI USA. We incorporate responses into the broadcasted reports and update the Stakeholder Forum FAQ which is subsequently posted on our web site at www.hiusa.org.

We invite your additional questions as part of future stakeholder forums. Consult our website for 2018 schedule information as it is available.

A. NETWORK EXPANSION

Developing a larger and more diverse sustainable hostel network.

- HI USA has a network of 50 hostels currently, and we are seeking to expand into diverse locations. Our newest hostel development project is in New Orleans, which will open in Fall 2018 with about 200 beds. Two of the last three hostels to open have been small to mid-sized hostels – in Houston and Richmond, each with a capacity around 50 beds -- and HI USA is committed to continue these smaller hostels that carry a mighty mission impact. Boston is a significantly larger hostel with over 400 beds, but shares with the others the offering of programs to bring the local community into hostel and to encourage local volunteers to introduce their city to visiting travelers.
- We are seeking to have all hostels achieve some level of financial sustainability. Smaller hostels can meet this goal but only by having adequate demand to generate break-even occupancy. Over the years we have seen hostels closed by both our former councils and HI USA due to inadequate use by travelers. Now when we build a hostel, we are careful to make sure they can be successful after launch.

Considering future hostel development options.

- To develop top-notch hostels, we need to find projects that meet five key criteria:
 - 1) Reasonable cost of building acquisition and development.
 - 2) Good location for our travelers;
 - 3) Bank borrowing and/or grants and donations to cover funding,
 - 4) Financially sustainable operations over time,
 - 5) Ongoing local volunteer commitment to maintain great community relations and engagement and education programming.

Deciding which hostel locations are developed

- HI USA has prioritized locations across the USA based on traveler demand – markets are ranked reflecting the numbers and types of travelers that use our hostels. Both large and smaller/mid sized markets have been prioritized.
- HI USA has traditionally used two development models: purchasing and/or leasing buildings for HI USA to operate, and licensing private hostels to expand the network.
- In considering the purchase or lease of a building, we allow for unique opportunities to emerge. These include availability of properties on government lands (such as national and state parks), special government grant programs, foundation funding and other location specific economic development incentives. Of course, even if a property is 100% funded, a hostel still needs to be located in an area where demand will generate sufficient overnights to fund operating costs.
- The Board has developed policies that help to define staff focus in developing new association owned hostels. When staff identifies a high potential property, they develop a project plan consistent with Board policy. The Board reviews the plan for feasibility and mission impact.
- Board approval is required for any hostel that requires the purchase or lease of a building by HI USA.

Expanding HI USA's reach through affiliate hostels.

- Among our collection of 50 hostels, 33 are owned and operated by the association and 17 are owned and operated by private individuals or nonprofits under licenses by HI USA. This latter category of private hostels is called affiliates. We view affiliate hostels as a key way for us to expand our network to unserved areas.
- HI USA licenses affiliate hostels when they meet HI USA quality standards, have high guest satisfaction scores, and serve areas of unmet traveler demand.

- Beginning in 2018, our affiliate hostel program will be part of a taxable subsidiary wholly owned by HI USA. This change allows us to more clearly differentiate our nonprofit aims from independently operated affiliates. Affiliate hostels gain access to HI USA’s reservation system used by overnight guests from around the world, which is operated by the International Youth Hostel Federation in England. Hostels pay a commission for each reservation they receive.
- We are passionate and committed to expanding HI USA’s hostel footprint across the US. While location priorities are not widely shared, we welcome direct feedback on specific opportunities to info@hiusa.org. As we develop a hostel in your community, you can expect direct engagement of community members.

B. STRATEGY/BOARD DEVELOPMENT

Understanding Board elections and term limits.

- The HI USA Board size is set as no fewer than 15 nor more than 21 elected members. Board members are elected to three-year terms, and no board member may serve longer than 3 consecutive terms (or a maximum of nine years in succession). Board elections are staggered; roughly one-third of all Board seats turn over each year.
- One additional Board members is elected by the Board and not subject to term limits: the US representative to the International Youth Hostel Federation Board of Directors.
- The terms of individual Board member terms are posted with their biographical information on the HI USA web site (www.hiusa.org).

Understanding HI USA’s voluntary giving requirement for all Board members.

- Our Board policy reads “The Board is committed to a 100% Board giving policy. Further, Board members commit themselves to making an annual contribution in an amount that is significant to them during each fiscal year.” There is no minimum contribution requirement because we do not want a high giving requirement to create socio-economic barriers to Board membership. However, every Board member is expected to donate at a level meaningful to them.

Sharing Board plans for the organization’s future.

- HI USA is currently focused on delivering our strategic plan, “Vision 2020” which outlines our vision for the future:
 - A leading hostel provider in the world.
 - A valued source of experiential learning.

- A widely recognized champion of intercultural understanding.
 - An effective advocate for youth travel.
 - A vibrant presence in communities across the United States.
- The Board has adopted an Ends Policy with metrics to define and measure long term mission success, including Triple Bottom Line progress. Key elements relate to: promoting intercultural understanding and active global citizenship; providing friendly, affordable, secure and satisfying overnight accommodations; delivering educational programs that build knowledge, deliver experience, foster relationships, and facilitate reflection; engaging with the community of travelers; and modeling intercultural understanding and global citizenship.

Learning about HI success and priorities.

- HI USA publishes an annual report that recounts activity during the prior year. It is automatically sent to our donors, and is available in pdf format on the HI USA web site at www.hiusa.org. Our web site also contains the latest news and activities.
- The International Youth Hostel Federation (known as Hostelling International) is a nongovernmental organization based in England that also publishes an annual report available in pdf format at www.hihostels.com.

D. COMMUNITY OF TRAVELERS/MEMBERSHIP

Giving back to our local communities.

- “Giving back” can take many forms. Here are several ways our hostels contribute to their communities:
 - Economic – Our hostels employ local residents on our staff, and our guests buy from local businesses. We provide jobs and business to the local economy.
 - Experiential – Community members who participate in our hostel programs receive the intercultural benefits from interacting with interesting, diverse travelers from around the world. We promote experiential learning without needing to leave home.
 - Educational – HI USA’s Community Hostelling Fund program awards scholarships to young people for domestic (\$500) and international (\$2000) travel. These are funded by HI USA and supported by a steering committee of local community leaders. Private donations are welcomed to support additional scholarships.
 - Community Service – Our hostels offer free overnights during January and February to groups who volunteer to deliver service projects within our communities. To find out more about the Great Hostel Give Back, visit our web site at www.hiusa.org
 - Partnerships – Our hostels work with other organizations locally to benefit the community and expand our mission of tolerance and understanding.

Building closer community connections.

- One way to build closer connections is to talk about ourselves in a way that resonates with others. For example, we asked millennial travelers what our mission statement meant to them. Our mission statement is “help all, especially the young, gain a greater understanding of the world and its people through hostelling”. Based on their feedback, we created a purpose statement that you will soon see in the lobbies of all HI USA operated hostels. Our purpose statement declares “HI USA is founded on the enduring belief in the power of travel to foster a deeper understanding of people, places and cultures for a more tolerant world.”
- Bringing our purpose statement to life requires that we live it every day. And one way is through a passionate staff, and through programs that connect our hostel guests with local communities. Our goal is to give travelers insights they can’t get elsewhere – insights about themselves, about others, and about the communities we serve.
- We also connect travelers through our programs. Many of our engagement activities we offer, such as walking tours, service projects and special events are led by community members themselves – our volunteers.
- Last year, over 125,000 travelers participated in our programs, and our volunteers donated over 30,000 volunteer hours.

Promoting programs and activities outside of our hostels.

- We want hostelling to be part of a life long journey, which necessarily means that we provide experiences that are both hostel based (for those on travel or who live in cities with hostels) and experiences that are not (for those not near a hostel).
 - For many it is part of continuum that includes preparing for travel in their own communities, using hostels while on travel, and then returning to their home communities.
- The hostel overnight stay is HI USA’s largest program. Each year, HI USA hostels host over a million overnights. In the dorm room, kitchen or common area, hostellers are from all over the world, spend time and get to know one another. Then they go home both in the US and abroad.
- Before they leave for their travels, people plan and prepare for the trip of a lifetime. They seek information to re-assure themselves or family members that their trip will be safe and engaging. HI USA provides pre-trip programming through cultural, environmental and travel programming. Here are three examples:

1. Travel Presentations - WT 101, Women Traveling Solo and Green Travel. For example, in 2015 nearly 1,000 community members have attended travel workshops at REIs throughout Los Angeles and Orange County
 2. Peace Conferences in Chicago, Washington DC and San Diego were presented in conjunction with Sleep for Peace. Community members and community partners came together to discuss topics around the impact of travel on a more peaceful world.
 3. IOU Respect, a two-week, intensive cultural exchange program designed for 18-23 year olds. The program increases the participant's knowledge of other cultures; help them develop skills for intercultural communication and foster attitudes that promote mutual understanding and tolerance. Participants are from the United States, Egypt, France, Germany, Lebanon, and Tunisia.
- When hostellers return home, we want to reinforce the excitement of their experiences. HI USA now has engagement managers to help returning travelers find a place in the organization. And we are offering an expanding array of opportunities for involvement. Here are three examples:
 1. Community Hostelling Funds (CHF) currently exist in 14 US cities. CHF steering committees of local residents award travel scholarships to worthy young people. The Committees are responsible for local outreach, application recruiting and review and awarding scholarships for both domestic and international travel.
 2. Meetups – HI USA sponsored meetups has grown to 9 active groups throughout the US. Two of the most active, Omaha, NE and Ft. Collins, CO have been active since 2009 and continue to offer activities monthly.
 3. Other local events include traveler's circles, travel fairs and conferences.
 - Recreational activities like cycling and hiking at one time were a focus for HI USA. With the proliferation of specialized cycling and hiking clubs, HI USA over the years withdrew from offering such activities on our own. Instead we partner with recreational clubs to offer activities where there is local interest.

Using technology to build our community.

- HI USA is making a major investment in technology to connect with our guests before, during and after their trips. Our goal is to increase guest enjoyment of the hostel stay experience and the educational benefits that come with it.
- We also are using technology to better serve our members and volunteers. Our new digital membership program reduces the annual cost of adult membership and will expand member communication. *Volunteer Match* is a data base that we are using to reach out to potential volunteers and *Hands on Connect* is used to manage our volunteer efforts and interactions.

- Our investment in technology is mapped each year as part of our organization wide budget process. Like other budget decisions, benefits and costs are weighed in making investment decisions.

Using partnerships to leverage growth

- Partnerships are an important way HI USA accomplishes its mission. We seek to engage others with missions complementary to our own for the benefit of our guests, members and volunteers.
- Local partners enable our hostels to deliver quality, community-based programming. Our national and international partners, like the Returning Peace Corps Volunteers and the United Nations World Tourism Organization, open doors for people and resources who support our mission.
- With the continuing evolution of our membership program, we will recruit travel and cultural exchange partners to better serve our community of travelers.

Expanding our fee for service offerings.

- Fee based educational and engagement programs can provide a source of income to our hostels and our organization and have been a part of our organization in the past. For example, HI USA used to run cycling and hiking programs, where participants paid a fee to participate.
- HI USA is currently in the process of refocusing its education and engagement efforts around experiential learning programs. All of our programs are now being designed based on the AACU (Association of American Colleges & Universities) learning outcome rubrics to help assure impact.
- Eventually, there will be a mix of both complimentary and fee based programs, depending on content and audience. Many complimentary programs will be wrapped into our terrific hostel stay experience. In any case, today we are early in program development and generally are not charging fees until we are comfortable with program quality and consistency.

Volunteering.

- We are always looking for new volunteers to assist with our programming and community service efforts. You'll be joining a growing cadre of fun and interesting people who volunteer with HI USA.

- We offer an array of programs that fit a variety of volunteer interests. Our volunteers teach travel education, lead hostel guests on local tours, and bring together travelers with the local community.
- HI USA has a volunteer engagement strategy that was conceived with the help of volunteers. It focuses on 8 major areas:
 - Volunteer Support
 - Staff Resources
 - Volunteer Resources
 - Millennials
 - Legacy Volunteers
 - Long Term Volunteer Involvement
- In structuring our volunteer opportunities, we pay close attention to Federal and State employment laws. We are careful that our volunteer opportunities do not lapse into operational functions that should be performed by employees instead.
- We encourage local community members to reach out to staff about volunteer opportunities.
 - To learn more, visit the volunteer page of our web site at www.hiusa.org/volunteer and search for opportunities in your area.
 - To join our Volunteer Facebook page: www.facebook.com/groups/hiusavolunteer/ . You will find volunteer opportunities of all sorts listed there.
 - To request our Volunteer Engagement Strategy, email our Director of Volunteer Services Kassi Oliver at kassi.oliver@hiusa.org

Serving groups in our hostels.

- Groups are an important way we introduce the hostel stay to young people. They are valued by HI USA as a key audience.
- We know from experience that groups can inadvertently take over the hostel vibe, if they occupy a large enough share of the facility. They can also occupy beds that could otherwise be filled by individual travelers. That's why our managers pay close attention to the mix of group and individual travelers. Our experience shows the ideal ratio varies from hostel to hostel, depending on building layout and location.

Booking our hostels.

- Making reservations at our hostels now happens most frequently over the Internet, but we certainly still accept them by phone!

- Our web address is www.hiusa.org. Visit our web site and learn more about each hostel before making a reservation. You'll find the telephone number of each HI USA hostel; please give us a call if you'd like to book by telephone.
- For international travel, visit IYHF's web site at www.hihostels.com for hostel contact information.

Joining as a member.

- Our web site is a key resource to learn more about our membership program. Visit us at www.hiusa.org.
- HI USA's membership entitles the holder to use hostels affiliated with the International Youth Hostel Federation around the world. HI USA is the United States affiliate of IYHF.
- Beginning in 2018, we are offering a digital membership option. Annual HI USA membership is \$18 a year in digital form, and \$28 a year in traditional paper format. Membership is free to those under 18 and a life membership is \$250. Offering a digital membership is consistent with our environmental commitment.
- Either an annual or life membership is required to stay in HI USA hostel. Otherwise you must pay an additional \$3 daily membership fee during your stay.
- The practice of providing a coupon to members for a free overnight at a select HI USA hostel will be eliminated in 2018 with the reduction in the adult membership card price for digital subscribers.
- If you have specific questions, please email or call us. You can reach us at members@hiusa.org, or at 240-650-2100.

Valuing a travel insurance benefit.

- HI USA offered a basic travel insurance benefit as part of the membership card up until 2014, when our insurance partner withdrew the program. We have not been able to find an affordable replacement program to date. If a travel insurance benefit is reinstated, some adjustment will need to be made to the membership price.

Staying at hostels for an extended period.

- HI USA generally has a 14-day maximum stay at any single hostel during a calendar year (unless local laws require otherwise). That's because our hostels are designed to promote travel from place to place. Our past surveys show that 14 days in a single city on a trip is sufficient for virtually all-typical travel needs.

- Even a 14 days stay can create a challenging climate in a dorm where all travelers need to have equal respect for each other's space. Our experience is that longer stays can lead to less interaction with other travelers and more possessiveness of space, which defeats the shared experience we are trying to promote.
- We constantly review our policies to make sure they allow us to meet our mission needs, including the maximum stay requirement.

Keeping reasonable the cost of hostel stays.

- Hostel overnight rates in the United States and around the world are rising with the increased costs of doing business. As taxes, wages, insurance and other operating expenses increase, those costs are reflected in the overnight rate.
- HI USA is exposed to many of the same cost increases as others in the hospitality sector. We also use hostel revenues to fund many of our engagement and education programs that differentiate HI USA as a mission based organization.
- For the 32 hostels directly managed by HI USA in 2017, 8 charge rates in the \$20 range, 14 in the \$30 range, and 10 over \$40. Rates are higher in larger cities with higher costs.
- A special HI USA program helps to keep travel affordable to worthy student age travelers. Explore the World travel scholarships are \$2000 grants currently offered to those 18-30 years old for educational travel outside the United States. A twin scholarship program is currently being piloted for domestic travel. To learn more, visit our web site at www.hiusa.org/programs.
- That said, we consistently monitor our overnight fees for guest feedback on affordability. As part of our comment card program, we track how travelers feel about the value they receive when staying with HI USA. We will continue to track user feedback and make adjustments in both quality and price in a proactive way. Also, affordability will continue to be part of our organizational message.

E. INTERGENERATIONAL TRAVEL

Welcoming older travelers at our hostels.

- People of all ages are welcome at HI USA hostels. Our goal is to promote a relaxed, social atmosphere where all guests can feel they belong.
- Many of our guests are in fact both younger and older than our target demographic of 18-30. Our engagement staff promotes diverse programs and activities that are available and welcoming to all guests.

- Guests who prefer more privacy than dorms allow have the option of private rooms at many of our hostels. These are particularly valued when guests have attire and electronics that may not be carried by the backpack traveler.

Identifying ways older supporters can engage with us.

- We cannot achieve the vision without the involvement of hostellers of all ages, including you:
 - Get involved as a volunteer – look for opportunities on the hiusa website or contact us if you want to make an impact in your community.
 - Get involved as a participant – if you don't have time to volunteer, join a local meet up or social activity. If there isn't a group in your community, contact us.
 - Join the conversation on Facebook and/or Twitter – often we have “call to action” items that enlist involvement.
 - Advocate for us in your local community. Do you know a group that is looking for speakers? Let our staff know.
 - If you live in a city with a HI hostel and are volunteering for another group, explore with staff how your group can volunteer at the hostel – helping two non-profits at the same time!
 - Donate – as a 501(c)3 non profit, your donation is 100% tax deductible and goes a long way to ensure we accomplish Vision 2020

Deciding on a “youth” focus.

- The definition of youth varies. Our research revealed various definitions of youth, ranging from 15 to 34 years old. Our decision to focus on the 18 – 30-year old market followed from a Board-driven strategy development process. Among the major considerations:
 - 57% of our overnights and 68% of hostel activity participants were in this market.
 - More broadly, the World Tourism Organization identified this age group as the fastest growing segment of the travel industry – and makes up 20% of all international arrivals.
 - Academic research showed that twenty somethings are in a stage of personal development that is particularly responsive to experiential education and travel experiences.

- The HI USA Board voted in December 2011 to focus our work on 18 – 30 free and independent travelers (FITs) for the foreseeable future. The focus will be evaluated with the completion of Vision 2020.
- The 18-30 year old focus does not mean we will cease to serve those younger and older. Rather it means that with finite resources, our central focus will be on developing programs and services for the 18 -30 year old market, where we believe we can make the biggest difference.

F. OUTREACH/ADVOCACY

Building hostel visibility in the United States.

- We are spreading the word about hostelling in various ways. Here are three examples:
 - Our engagement staff across the country regularly talks about hostelling in presentations to university students and other groups in the community.
 - HI USA regularly works with bloggers who have significant influence on the travel behavior of our target audience, 18-30 year old FITs, to spread the messaging of hostelling. We host them at our hostels so they can share the HI USA hostelling experience with their followers.
 - We are using social media, especially video, as a way to reach current and new audiences.
 - We are scheduled to launch a vibrant new web site in late 2018.
- Our goal is to bring hostelling to more and more Americans, and we are committed to find innovative and effective ways to encourage a wider audience for our mission and our network.
- Our web site promotes both our mission statement and our purpose statement. Our mission statement underlies all we do: *To help all, especially the young, gain a greater understanding of the world and its people through hostelling.* Our purpose statement puts our aims in terms that especially resonate with our millennial audience: *HI USA is founded on the enduring belief in the power of travel to foster a deeper understanding of people, places and cultures for a more tolerant world.*

Advocating for hostels and intercultural exchange.

- HI USA has long engaged in a form of activism when we bring hostels to communities that don't have them. Sacramento is an example. The hostel was established through a partnership with the city, and required local HI USA advocates attend numerous community meetings to share with government officials and residents the vision for the

hostel. Eventually, we were successful, and now have one of the top rated in hostels in the world in Sacramento. The scenario is replayed in virtually every city where we have an associate hostel presence.

- As cities and states look for new revenue sources, hostels are not immune from increased fees and taxes. In recent years we have felt pressure from both occupancy and property tax hikes. Advocating for local and state tax changes ordinarily works best when it comes from taxpayers within the taxing jurisdiction. HI USA's involvement is generally limited to an advisory capacity.
- Over time, HI USA has changed its focus from an accommodations provider to an intercultural exchange organization. With that change, we are widening our advocacy and awareness agenda. For example:
 - Our Sleep for Peace program builds awareness of the United Nations Day of Peace, which is annually held on September 21st. In 2015 the program was launched globally as an initiative of the International Youth Hostel Federation (IYHF). In 2017, it was recognized by the United Nations World Tourism Organization (UNWTO).
 - UNWTO is an important partner for HI USA and IYHF. We were elected to the UNWTO affiliate board of directors in 2015 and developed programs for our hostels and guests that advanced the UN International Year for Sustainable Tourism in 2017. It is a win-win relationship that builds visibility and resources.
- As HI USA moves forward, we will be developing a wider advocacy agenda, but of course it will align closely with our unique mission purpose.

G. FINANCES

Balancing hostel and other program needs.

- HI USA depends heavily on earned income from our hostels. Our mission and our finances both depend firstly on travelers choosing to stay with us. This means offering a quality overnight stay with quality programs and activities.
- Yet our aspirations are not bound by hostel walls. We also deliver programs in areas not served by hostels.
- The process of balancing the needs of hostels and programs takes place each year during our budget development process. We develop a budget within parameters set

by the board that we believe best meets our mission and business needs. The budget is approved annually by the Board.

- We are investing in building public awareness around our intercultural aims. Prominent mission messaging is being placed in our association operated hostels, so all who stay better understand the intention of our hostels, our programs and our organization.

Finding new sources of funding for HI USA.

- Unlike some nonprofits, HI USA does not rely on government support. Instead, we are funded primarily by travelers who pay a fee to stay at our hostels.
- We also rely on fundraising, largely from individual donors who have had great experiences in our hostels and want to support us. As more and more people try our quality hostels and have memorable experiences, we will have a larger and larger pool of prospective donors to draw from.
- We are seeking to grow fundraising through foundation and corporate support. This has been a focus in the past with admittedly limited success. However with the development of successful pilot programs and the capacity for delivery in a consistent way across the country, HI USA is in a better position than ever to gain outside support .
- Fundraising is important to both our Board and our staff. Our Board members are mission ambassadors and our staff, led by our CEO, are involved with both cultivation and solicitation of gifts. If you would like to make a gift, please contact us at giving@hiusa.org.
- One way that donors know a nonprofit is being effective is their overhead expense ratio. We spend 89% of all funds on program delivery, with just 11% for overhead – a strong performance within the wider nonprofit community.

Saving money on online travel agent fees.

- Online travel agents (e.g., Booking.com, Expedia and Hostelworld) are now charging commissions of 12-15% or more on hostel reservations. With big advertising budgets, they also are acquiring a larger and larger share of hostel booking traffic. As a result, more and more funds for commissions are being paid to OTAs for hostel reservations, rather than spent on other needs.
- One way to save money is by operating a web site that accepts bookings directly, rather than through an OTA. HI USA is looking at options to reduce booking costs, including operating our own booking engine.

H. HOSTEL FACILITIES

Changing alcohol consumption policies for our hostels.

- HI USA has long prohibited alcohol consumption in our hostels. Beginning in 2016, we introduced limited alcohol consumption at designated hostels on a pilot basis. To date, the pilot has generated overall favorable results.
- We will always place a high priority on guest safety and security, so our decision to allow alcohol consumption at particular properties in part depends on building design and hostel location.

Promoting environmental sustainability.

- Sustainability has long been embraced by HI USA in one form or another. For example, when our organization first began, you needed to arrive “under your own steam”, by foot or bicycle, to use one of our hostels. Of course that has changed with time and preferences.
- HI USA was one of the first hostel networks in the world to have a sustainability program. It started in the early 1990’s and was called the Sustainable Learning Center program. It was so early and widely acclaimed, it won 1994 award from British Airlines.
- With time, we decided that all hostels should follow green principles in their operation – not just a segment of our network. So in 2005 we adopted quality standards for all hostels that included environmentally responsible practices, which all hostels must meet.
- About a dozen of our hostels have taken the next step, and are participating in a third-party certification program, now called Green Globe. This program sets specific standards for environmental sustainability, and these hostels have met or exceeded them. Now called Green Globe, by 2020 all of our associate hostels will be Green Globe certified.
- HI USA will publish its first sustainability report in 2018. The report will detail our efforts to advance sustainability within our organization and will outline goals for the future. Once published, it will be available on our web site at www.hiusa.org/about-us/sustainability.

Improving the guest experience at our hostels.

- HI USA is consistently ranked as one of the top hostel networks in the world by IYHF and Hostelworld, based on guest feedback. Our committed staff and well-maintained buildings are reasons why.

- Through our electronic comment card and our online customer satisfaction tracking tools, we monitor and evaluate our hostels online scores and guest’s comments for areas like quality, consistency and comfort. We look for trends that signal the need to address specific issues and we act upon them.
- Our staff make efforts to accommodate the individual needs of travelers, yet the hostel stay experience is communal and depends firstly on travelers respecting each other. Requests for special accommodation are best made at time of reservation.
- HI USA hostel quality standards are among the highest of any hostel network in the world and include a healthy focus on our buildings. Our quality standards are developed with guest and management input and are reviewed annually. Local codes always take precedence, although in most case HI USA standards are more stringent.
- Internationally, hostel quality standards vary from country to country. They tend to be heavily influence by cultural norms. IYHF has a quality programs that promotes high standards for affiliated hostels worldwide.

Expanding hostel amenities and services.

- HI USA has over the past five years expanded 24/7 access to the vast majority of our properties. It is generally a strong guest preference, and any variance at this point is likely due to specific local conditions.
- Parking is an issue at some of our hostels, particularly those in popular tourist destinations. Where parking is limited, we try to let our guests know of parking limitations in advance, so they can opt for public transportation.
- With the proliferation of smart phones and laptops on travel, HI USA has focused on installing electrical outlets and compatible lockers in our sleeping rooms. We expect the transition to take several more years to fully complete.

I. TREATMENT OF STAFF

Setting staff compensation.

- HI USA sets staff compensation levels using market data gathered by an external consultant. Our goal is to set compensation at levels that are fair, competitive and incorporate geographic differences.
- Since our organizational consolidation in 2014, we have prioritized increasing wages for staff in hostels that were historically paying at below acceptable market levels. With

our “catch up” effort now complete, our focus is on network-wide wage and benefit reviews.

Delivering more staff professional development opportunities.

- HI USA views staff development as a growing imperative. It benefits the employee, and those with whom the employee interacts. As an organization that routinely welcomes foreign travelers, the ability to interact and communicate effectively cross-culturally was identified as a key learning objective. An intercultural communications training program was established and continues to be offered to new employees to ensure that all staff maintain an awareness of how to best relate to each other and maintain an environment that continues to be welcoming to all.
- Tuition assistance provides staff with financial support as they pursue their educational goals and advance professionally. The Tuition Assistance Program combined with the addition of a Talent Development Director reinforces HI USA’s ability to create a culture of continuous learning and professional development. A key focus for this new role is the implementation of a Learning Management System that staff will be able to access easily and facilitate compliance training.
- An extended leave program facilitates staff travel by providing them with medical insurance while on sabbatical, and the ability to return to their previous role. It also helps to ensure HI USA staff maintain the opportunity to explore other cultures.
- We recently introduced a staff exchange program in partnership with the International Youth Hostel Federation, where our staff are afforded the opportunity to temporarily work at hostels overseas and learn best practices, while experiencing a different culture.

Sharing your feedback on staff performance.

- We are proud of our staff. They are a main reason why we are consistently named a top global hostel network.
- One way we learn about how our guests are feeling is through their completion of comment cards. You will have a comment card emailed to you after each hostel stay.
- We value your opinion. If you have urgent needs, ask for the manager on duty at the hostel front desk.

Reconfiguring our staff structure.

- HI USA reconfigured its staff structure in 2017 to better position the organization to reach Vision 2020 goals. Among the most significant changes: the number of regions

was reduced from five to two to promote consistency and efficiency; and a separate external affairs function was created to build community partnerships, raise funds and advocate for HI USA's mission.

- Several senior level positions were left vacant for an extended period while roles and responsibilities were determined in the reconfigured structure. A schedule for posting positions has now been set and vacancies are expected to be filled by March 2018.

J. INTERNATIONAL HOSTEL TRAVEL

Funding for hostels in other countries.

- While HI USA receives most of its funds from overnight fees and little government support, national hostel associations in other countries have different sources of funding.
- In Europe, there is a tradition of government funding of hostels as an educational pursuit for young people. European national associations receive government funds for buildings, programs or both, although sources have contracted with recent European fiscal challenges. Germany is the birthplace of hostelling and the German government generously supports its legacy.
- In Australasia, hostels may or may not be nonprofit; funding is largely from earned revenue. While In Central and South America, hostels tend to be commercially owned and operated; there is virtually no government support.
- A summary of the global development of hostelling can be found at www.hihostels.com.

Honoring HI USA membership in other countries.

- The HI USA membership card is honored by IYHF (dba Hostelling International) national associations around the world. With full reciprocity, you receive the same member discounts and access as if you lived in the country.
- Currently there are 64 different national associations recognized by IYHF, with another 23 countries served by associate organizations. Find out more by visiting www.hihostels.com
- A summary of the national development of hostelling in the United States can be found at hiusa.org/about-us/history-of-hostelling.