
Desert Labrador Retriever Rescue

Business Plan

2020



finding loving homes for displaced labradors

DESERT LABRADOR RETRIEVER
R E S C U E

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Purpose of this Plan

This plan provides the framework for the Desert Labrador Retriever Rescue (DLRR). The content of the plan includes the core mission of the rescue, strategic goals/actions and financial data that serve to achieve the stated mission of the rescue. This is a living document that will be reviewed periodically by the DLRR Board and Executive Support Team to assure DLRR continues to remain a highly regarded, financially stable organization that is dedicated to saving Labrador Retrievers and finding them forever homes.

Desert Labrador Retriever Overview

DLRR is a non-profit 501c3 all-volunteer organization that is governed by a board of directors who are elected annually by the members of DLRR.

Since its inception in 1999, DLRR has rescued over 5,000 Labrador Retrievers in need. DLRR labs come from the pounds and from owners who can no longer care for them due to life events such as illness, death, or changes in income. Due to the millions of animals that enter shelters each year across the United States and due to the severely overcrowded animal shelters in Arizona, DLRR is often a Lab's last chance to be saved from euthanasia.

DLRR is solely funded through donations from the public, grants, and fundraising efforts by our volunteers. Without the public's support and contributions, DLRR would not be able to save so many dogs.

DLRR Guidelines

1. Desert Labrador Retriever Rescue is focused on accepting Labrador Retrievers. It is not necessary that the dog be registered with the American Kennel Club (AKC).
2. All intakes are evaluated prior to accepting them into the rescue. The evaluation includes medical, behavioral, and observing Labrador characteristics in look and temperament. It is acceptable to intake a mixed breed if the Labrador characteristics are primary. Older dogs and dogs with medical problems are accepted.
3. Priority is given to dogs as follows: (1) abuse situation; (2) shelter; (3) owner turn in.
4. All Labrador Retrievers surrendered to DLRR shall become the property of the organization as specified in the Surrender of Ownership form.
5. DLRR reserves the right to reject any Labrador Retriever for any reason.
6. DLRR does not accept a dog with a history of biting a human. A dog with a history of unprovoked aggression toward other animals or people (other than biting) may be accepted or denied based on the decision of the Board.
7. An intake team is in place. This team will review and make decisions regarding the intake of Labs and consults with the Board on challenging cases.

Finance History (2016 – 2019)

DLRR Statement of Activity Prior Years				
	2016	2017	2018	2019
Total Revenue	\$372,868	\$510,282	\$480,426	\$309,757
Total Expenditures	\$362,290	\$497,888	\$451,524	\$393,643
Net Operating Revenue	\$10,578	\$12,394	\$28,902	-\$83,886

Dollars Directly Applied to DLRR Dogs Prior Years				
	2016	2017	2018	2019
Veterinary Care	\$273,706	\$369,680	\$343,803	\$284,150
Training	\$24,924	\$58,945	\$21,586	\$10,084
Boarding	\$38,600	\$24,383	\$40,551	\$38,787
TOTAL	\$337,229	\$453,008	\$405,940	\$333,021
% of total yearly expenses	93%	91%	90%	85%

Noteworthy Financial History Factors

- Revenue was down significantly in 2019 due to a reduction in donations and fundraisers.
- Veterinary care decreased in 2019, as DLRR did not intake as many dogs and particularly those with major medical issues as in previous years.
- Boarding slightly decreased in 2019 due to a reduction in dogs taken in and more foster home availability.
- Training expenses continued to drop in 2019 due to less behavioral dog intakes, more seasoned fosters, and volunteers who are also professional trainers and did not charge the rescue for their services.
- Management and Operations expenses were reduced based on a reduction in cost of telecommunications.
- Volunteer members were further vested in the organization with the creation of online volunteer and foster training during 2019.
- The DLRR website was updated in 2019 providing a fresh, new look to celebrate rebranding.
- Veterinary care and direct care of dogs continued to be the largest percentage of total expenditures.
- While net operating revenue took a hit in 2019, through proper pre-planning, DLRR had the foundational income to sustain the organization.

Financial Future

Goal

DLRR maintains a financial plan that serves as a guide for month-to-month operations, which allows the rescue to focus on short- and long-term strategic goals. By forecasting and reviewing year-to-date revenue and expenses monthly, DLRR monitors incoming revenue and determines how it is being allocated within the rescue in relation to expenses. Maintaining financial controls as well as closely monitoring spending allows the organization to monitor spending and plan ahead to make beneficial decisions that are in line with the overall mission of DLRR.

Budget

The budget is driven by three major expenses:

- Medical Expenses
- Boarding Expenses
- Cost of Operations (Internet, liability insurance, supplies etc.)

The budget is funded by multiple revenue sources:

- Fundraising efforts
- Donations and memberships
- Adoption fees
- Public and charitable foundation grants

Important Assumptions

- We expect income to be a challenge during the 2020 pandemic (COVID-19). The 2020 pandemic will continue to have a direct impact on income for the foreseeable future. Income will be monitored on a monthly basis.
- We expect expenses to be a challenge during the 2020 pandemic. The 2020 pandemic will continue to have a direct impact on expenses for the foreseeable future. Expenses will be monitored on a monthly basis.
- Economic conditions due to the pandemic may have a significant impact on overall DLRR operations.

Key Factors — Increasing Revenue

Fundraising

A coordinated annual fundraising effort is an essential element of the DLRR business plan. Fundraisers have been evaluated regarding income, expenses, and volunteer involvement. In addition, due to the pandemic, some fundraisers have been canceled for 2020. We will continue to focus on the most profitable events.

DLRR will concentrate its efforts on the following major annual fundraisers:

- Corks and Collars (virtual in 2020)
- Shred-a-Thon
- Restaurant/Brewery events (limited during pandemic)
- Arizona Gives Day
- The 12 Saves of Christmas

Sponsor Engagement and Ambassadorship

Adoptions

Adoption fees are part of the revenue stream. Revenue varies because adoption fees differ based on the age of the dog. In 2019 and the first half of 2020, income from adoption fees was lower than previous years due to the decrease in the number of intakes.

We will continue to bring awareness to the public that all DLRR dogs are provided vaccinations, microchip and necessary medical procedures and care. The adoption fee helps offset these expenses.

Membership (Affiliate and Volunteer)

According to the bylaws, there are two types of members:

- **Volunteer Members** are those who are active in providing volunteer services to the organization and are given voting rights at the annual meeting.
- **Affiliate Members** provide support to the organization through their dues. Affiliate members are not entitled to vote at membership meetings but may attend membership meetings.

An integral part of DLRR is a continuous membership drive.

Members are solicited via current volunteers, social media, and events. With more community outreach and DLRR public exposure, we expect that the membership number will continue to increase. By expanding membership, DLRR's presence in the community is expanded, which can lead to both volunteer and sponsorship growth. Both will benefit DLRR over the course of time. Having a larger membership will lead to more revenue, as it increases the possibility of more donations and participation at fundraising events.

As volunteer members are brought on board, they must be welcomed to the team and given opportunities to engage in this complicated organization. The lead coordinator of each team is responsible for being their teams' ambassador by welcoming new people to DLRR and getting them engaged in the organizations' activities. The Board of Directors is also responsible for welcoming and engaging new volunteer members.

Online Merchandise Store

This concept was implemented and marketed in 2019. In 2019, the Merchandise Store brought in revenue of \$676. From January – June 2020, the store brought in revenue of \$511. A review will take place during the second half of the year to identify necessary improvements.

Facebook Medical Requests

When DLRR encounters extreme medical expenses for a dog, the information is posted on Facebook. This has been an effective way to reach out to potential donors and do so without incurring surcharges for donations made on other electronic platforms, such as PayPal and Stripe.

Animal Sponsorship

We are currently developing a concept to promote Animal Sponsorship. This program would seek individuals or companies to pledge a set amount for each dog that needs special medical care. For example, a donation of \$25 each month toward the dog's care. In turn, the sponsor is kept abreast of the status of the animal until its adoption. After that animal's adoption, all sponsors receive an appeal to move their sponsorship to another animal in our care. This program brings the possibility of a steady subscription-type income to the rescue—an essential cash-flow mechanism.

Grants

DLRR volunteers continue to watch and apply for grants.

Key Factors—Driving Down Costs

Working with Veterinary Partners

The number of clinics that partner with DLRR has increased, and we will continue to expand as we build partnerships with those practices that will provide a rescue discount and quality care. By working with our vet partners, we keep costs low and consistent. DLRR partners with the Arizona Humane Society for neuters and spays as the cost is minimal; however, due to scheduling availability it is not always feasible, so we also partner with several other practices.

Increasing Volunteer Engagement

An increase in “active” volunteers will assist in driving down costs, as DLRR will gain efficiencies in various areas and reduce the board of directors’ day-to-day workload. Well-trained and highly engaged intake volunteers will be more successful at evaluating incoming labs, which will make the labs more adoptable. This will decrease costs. Other examples include volunteers assisting with grants, fundraising, marketing, etc.

Monitor Project Dogs’ Costs

More in-depth evaluations will be conducted to determine the behavior of dogs that come into DLRR for adoption. The intake process has been modified to ensure the volunteers are properly analyzing dog characteristics that are both positive and negative. Before a dog is taken in, we will have a better understanding of the dog’s behavioral and medical needs. We will also have a better idea of the dogs’ rehabilitation costs and if we have the funds available.

Obtaining Donated/Inexpensive Supplies

DLRR will continue to be diligent in obtaining animal supplies, including food, through donations and inexpensive sources. Many of these supplies are donated. When purchases are made, items will be sought out at the most reasonable price and, when possible, purchased in bulk to lower costs (medications, for example).

Strategies

Strategic Goals

- Increase volunteer involvement.
- Increase revenue.
- Maintain financial viability.
- Ensure transparency of DLRR income and expenses.

Strategic Actions

Performance Measures of Strategic Goals

Increase Volunteer Involvement

Monitor new volunteer engagement and determine ways to entice volunteers to become more involved with the rescue. The online volunteer training/orientation program has been successful in engaging new volunteers. Retention of volunteers must be continually monitored, and adjustments made as needed.

Increase Incoming Revenue

Keep fundraisers fresh and exciting. Maintain a strong outreach program to engage supporters and obtain new donors.

Maintain Financial Viability

Continue to project yearly budgets and routinely compare to actual activity during the year to ensure dollars are allocated appropriately and expenses are in check. Ensure proper checks and balances are in place and all financial activity is properly overseen and managed.

Ensure Transparency of DLRR Income and Expenses

Routinely review the income and expenses that occur during the year and communicate the information to DLRR volunteers, members, supporters, and adopters. Communicate any high-dollar costs and/or non-routine spending scenarios to DLRR volunteers, members, supporters, and adopters so there is an understanding of why monies are being spent in unique situations to benefit the rescue.

Business Evaluation

SWOT Analysis

Strengths and weakness are frequently internally related, while opportunities and threats commonly focus on the external environment. SWOT is an acronym for the four parameters the technique examines:

- **Strengths:** characteristics of the business or project that give it an advantage over others
- **Weaknesses:** characteristics of the business that place the business or project at a disadvantage relative to others
- **Opportunities:** elements in the environment that the business or project could exploit to its advantage
- **Threats:** elements in the environment that could cause trouble for the business or project

DLRR Strengths

1. Standard process for animal care
2. Public support of potential adopters, volunteers and donors
3. Modernized/redesigned website
4. Online volunteer orientation and foster training courses
5. One of the more established board-driven rescues in the Arizona metropolitan areas
6. Proper business protocols with budget, annual report and business plan
7. Operates with an income stream of approximately \$500,000 allowing for the rescue of a significant number of dogs during each year
8. Longevity of 20 years with strong community support base
9. Established brand
10. 501c3 status since 2006
11. Standardized training program for volunteering
12. Standard intake process
13. Established protocols and procedures using automation where possible

DLRR Weaknesses

1. Automation of record keeping
2. Lack of active volunteers
3. Insufficient support for core roles that are critical to DLRR basic operations
4. Participation in DLRR leadership positions
5. Minimal in-person interactions with active volunteers

DLRR Opportunities

1. Public outreach and education
2. Membership engagement
3. Sponsorship program creation
4. Volunteer program expansion
5. Proactive PR Campaign

DLRR Threats

1. Costs of complicated veterinary procedures
2. Veterinary services: pricing and availability
3. Volunteer involvement to accommodate DLRR growth
4. Economic challenges due to COVID-19
5. Lack of engagement of donors and sponsors

Economic Evaluation

PEST Analysis

The basic PEST analysis includes four factors:

- **Political** factors relate to how the government intervenes in the economy. Specifically, political factors have areas including tax policy, labor law, environmental law, trade restrictions and political stability. Political factors may also include goods and services which the government aims to provide and those that the government does not want to be provide.
- **Economic** factors include economic growth, interest rates, tariffs, exchange rates, inflation rate. These factors greatly affect how businesses operate and make decisions. For example, interest rates affect a firm's cost of capital and therefore to what extent a business grows and expands.
- **Social** factors include the cultural aspects and health consciousness, population growth rate, age distribution, career attitudes and emphasis on safety. High trends in social factors affect the demand for a company's products and how that company operates
- **Technological** factors include technological aspects like R&D activity, automation, technology incentives and the rate of technological change. These can determine barriers to entry, minimum efficient production level and influence the outsourcing decisions. Furthermore, technological shifts would affect costs, quality, and lead to innovation.

Political	Economic
<p>1. Continued fallout from the tax structure that changed standardized deduction amounts for individuals (not corporate tax changes). With the changes that are now in effect, people may be less likely to donate if the deduction will not make a difference on their tax statement.</p>	<p>1. Tariff wars may increase the cost of consumer goods, which may cause some potential donors to hesitate to donate to DLRR. It may also cause people to hesitate or postpone adopting.</p> <p>2. Volatility in the stock market due to various factors (COVID-19, correction, tariffs, other) may cause some potential donors to hesitate to donate to DLRR. It may also cause people to hesitate or postpone adopting.</p> <p>3. Maricopa County is the fastest growing county in the United States. An increase in the Phoenix metro population may have a positive impact on DLRR. Possible outcomes include increasing the volunteer base, increasing donations, and increasing adoptions.</p>
Social	Technological
<p>1. The rebranded DLRR logo/image is bringing more attention to the rescue through advertising and use in social media.</p> <p>2. Advertising in local publications continue to increase DLRR awareness in the community.</p> <p>4. The current website and social media presence maintains a positive image of DLRR.</p> <p>5. Continually engage volunteers by offering interactive activities, training, and opportunities.</p>	<p>1. Focus on technological solutions that streamline the internal DLRR processes.</p> <p>2. Address needed technology changes through designated funding/budgeting.</p> <p>3. Use technology to communicate widely on social media.</p> <p>4. Further utilize automated programs to assist in financial recording and reporting.</p> <p>5. Maintain high security and privacy requirements.</p>