

Ride On Board of Directors Strategy Review

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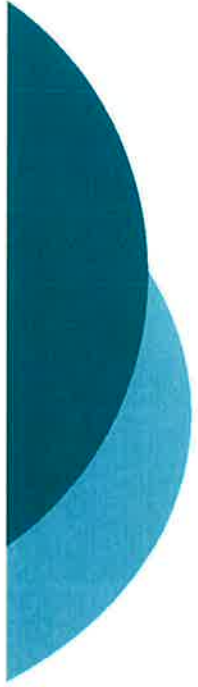
Gloom and Doom?

- “never seen a more challenging environment...”
- “not out of the woods....”
- “unprecedented shredding of safety net built over a generation...”
- 2009 Grants down \$3.9B
- 2009 Grant approvals down 30%
- CA Unemployment @ 12%



Trends for Nonprofits

- Increase in demand for service
- Painful cuts to core services
- Delays in payments, esp. gov't
- 3 more years to climb back to prior support
- Nonprofit Finance Fund: 61% of NPO's have less than 3 mos cash on hand; 12% have zero.



Peter Drucker

- The great danger is acting according to yesterday's logic.

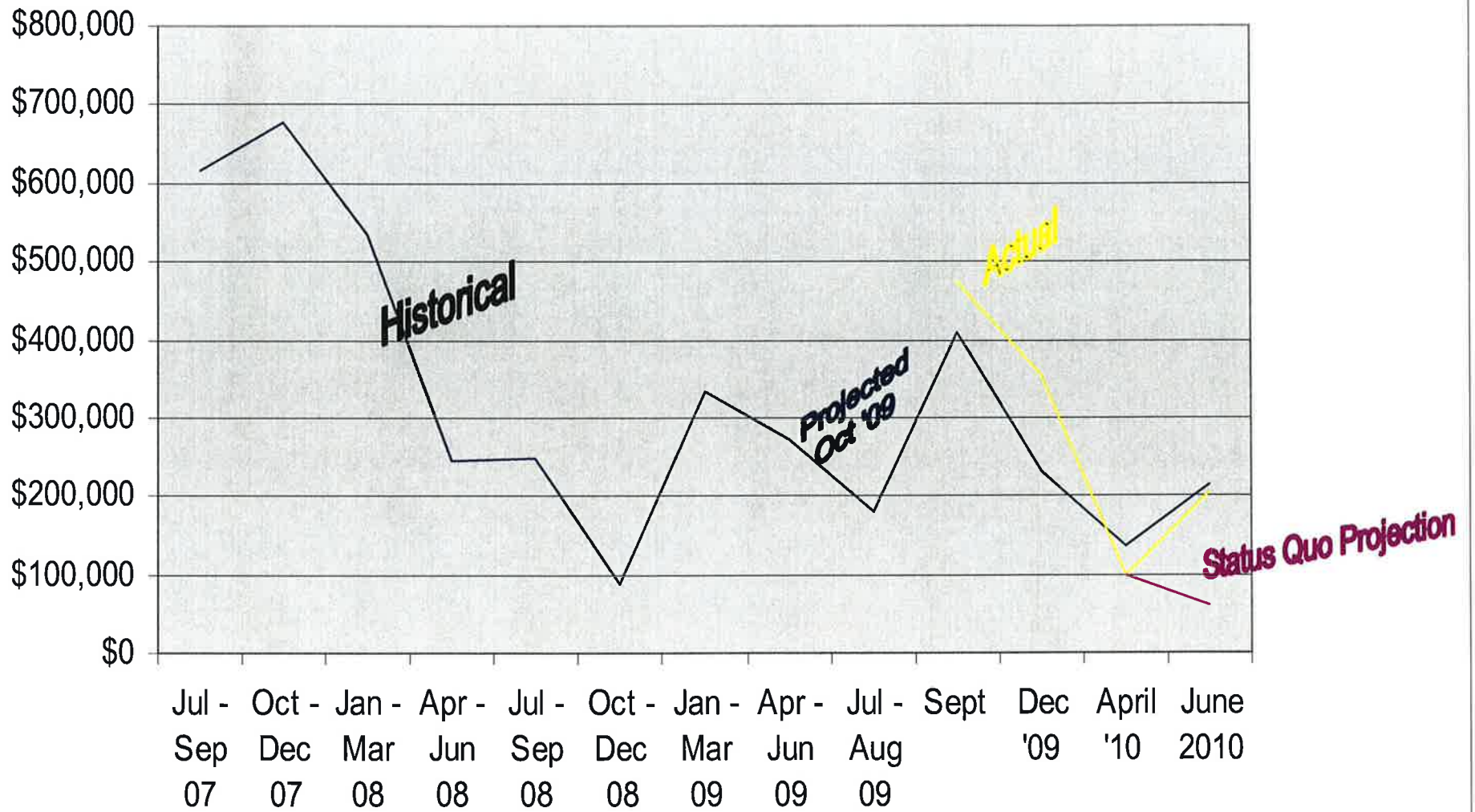


Elements of Sustainability

Fred Ali, President Weingart Fnd

- A well-led & fully engaged board in agreement on mission & vision
- Decide what's core; get rid of rest
- Determine what is a sustainable level of program and manage to that
- Have timely, reliable and accurate financial data
- Document Program effectiveness
- Advocate need for unrestricted, admin and fundraising costs
- Maintain infrastructure even at expense of program
- Mergers often too complex but strategic alliances can work.

Cash & Reserves On Hand July 2007 - June 2010





The Recession at Ride On September 2008 – June 2010

- Purchased, built & opened a new facility
- Lessons down – first time ever
- Grants at a record level
- Donation holding steady
- Special events holding steady
- Reserves: down 90%



Path to Sustainability

- Strategy - check it and follow it if it's good;
- Vision to inspire your stakeholders;
- Program excellence coupled with transparency and accountability;
- Understand your financial ducks and get them in a row; and
- Embrace change and be ready to dump what's not working.



In an era of limited resources...

- You are not all things to all people.
- Identify your core mission
- Understand and articulate why the world is a better place with your organization in it.

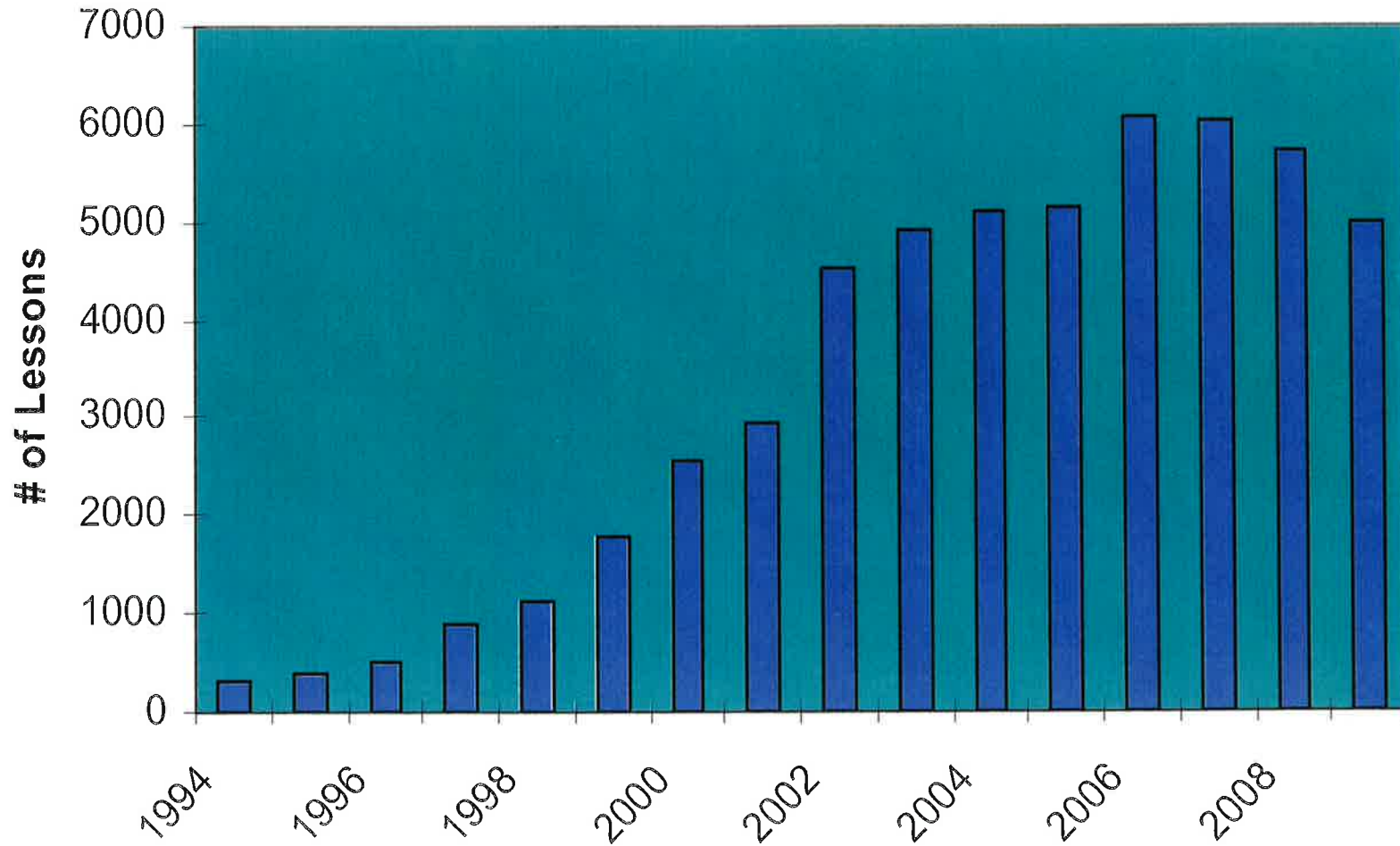


The challenge is to be here at the end
of the day.

- Protect infrastructure even at the expense of program.
- For the first time ever....

Ride On Lessons Given: Grand Total 55,014

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The Recession's impact on HR

- Increased unemployment
- Fewer options for employees
- Increase workload...in a chronically underfunded industry



HR at Ride On 2008-2009

- Major effort to get the right people on the bus and the wrong people off the bus.
- Performance related layoff
- 12 month 20% pay cut for top 4 staff – reduced to 10% in 2010
- Line staff pay protected
- Admin/development staff reduced
- Benefits protected/increased in 2009



Impact of HR Changes at Ride On

- Wear & tear – burnout
- Turnover increase
- Caliber of staff increased
- Increased demand for performance
- Ability to cope with change highly valued
- Higher degree of alignment with current mission and values



Long-Term Challenges for Ride On

- Sustaining two \$500,000/yr facilities that each lose \$375,000/yr.
- Re-building reserves & operating without a safety net.
- Mortgage due in 8 years – currently \$790,000.
- BTR lease up in 3 years – potential loss of \$10k/mo.



Long-Term Challenges for Ride On

- 5 year time frame
 - deciding to pursue expansion strategy – Stoney Point Stable
 - Possible gain of \$25,000/monthly income
 - deciding to pursue expansion strategy: Will Rogers State Park
 - The challenge and opportunity of opening a \$500,000/yr site serving 75-100 riders on Westside of LA.
- Allocating leadership resources between fund development, site development, administration and program operations
- Succession, especially founder transitions can be tricky