

Humane Society of the United States: Perception vs. Reality

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Introduction

Roger Redford was intrigued by a story he had just seen on television. It featured an undercover video of a horse trainer who routinely abused horses to enhance their performance in the show ring. The video was reportedly shot by an undercover representative of the Humane Society of the United States (HSUS). As the owner of a number of animals including horses, dogs, and cats, Redford wanted to know more about the HSUS. He routinely donated 5% of his salary to various charities including the local humane society. Before he donated to a charity, he always did some research evaluating how the charity used its donations. Redford had heard the HSUS's name in the news repeatedly for various actions, but had never actually looked at the group in its entirety. He wondered what the organization tried to accomplish and if he should redirect some of his donations to HSUS.

History and Mission Statement

Redford began by looking into the history of the group on its website. The website stated HSUS was the world's largest animal rights advocacy group with assets nearing \$231.5 million (HSUS Annual Reports, 2012). Although the title of the group suggested its realm was within the United States, Redford found that the group was a non-profit entity with several multinational operations. Roger saw the founders of the HSUS consisted primarily of journalists seeking to draw attention to animal abuse and cruelty. These founders created the group in 1954 and pursued actions to protect the rights of animals and to advocate for animals' safety (Unti, 2005).

Redford figured if anyone loved their cat, dog, horse, or various other pets, then it was probable that they had heard about the Humane Society of the United States. The HSUS Home Page contained multiple places to donate, but Redford wanted to begin with a simple mission statement from the organization. The website was literally chock-full of happy-go-lucky images of different animals and owners or rescuers. To speed up the process, he typed "mission statement" into the search bar and found the following:

We work to reduce suffering and to create meaningful social change for animals by advocating for sensible public policies, investigating cruelty and working to enforce existing laws, educating the public about animal issues, joining with corporations on behalf of animal-friendly policies, and conducting hands-on

programs that make ours a more humane world. We are a leading disaster relief agency for animals, and we provide direct care for thousands of animals at our sanctuaries and rescue facilities, wildlife rehabilitation centers, and mobile veterinary clinics.

We celebrate pets, as well as wildlife and habitat protection. We are the nation's most important advocate for local humane societies, providing shelter standards and evaluations, training programs, a national advertising campaign to promote pet adoption, direct support, and national conferences. We operate a Humane Wildlife Services program in the D.C. metro area to provide homeowners and businesses with humane and effective solutions to conflicts with our wild neighbors. We promote scientific innovation by driving the development of humane alternatives to replace harmful animal experiments. The HSUS publishes All Animals, a membership magazine, and Animal Sheltering, a bi-monthly magazine for animal sheltering professionals.

We confront national and global cruelties through major campaigns targeting the barbaric practices of dogfighting and cockfighting; abusive puppy mills where dogs are treated not like family but like production machines; the worst cruelties of factory farming in modern agribusiness such as confinement of animals in crates and cages; inhumane and unsporting hunting practices such as "canned hunts" of captive exotic animals; the suffering of animals in experimentation, including chimpanzees and pets; the slaughter of American horses for export to foreign countries where horsemeat is considered a delicacy; and the clubbing of baby seals and other animals for the commercial fur trade. Our track record of effectiveness has led to meaningful victories for animals in Congress, state legislatures, courtrooms and corporate boardrooms (HSUS About Us, 2012).

About Us

As with most websites, the “About Us” section tended to guide a user from a factual chronology, like that in the “History” tab, to a more humanistic and informative idea of what the non-profit did. The heading in the HSUS “About Us” section stated the following: “*The Humane Society of the United States is the nation’s largest and most effective animal protection organization-backed by 11 million Americans, or one in every 28*” (HSUS About Us, 2012).

Redford scanned through the section, finding other statements that the group wanted the public to know about their involvement in animal rights and animal protection. He saw the group also stated:

We work to reduce suffering and to create meaningful social change for animals by advocating for sensible public policies, investigating cruelty and working to enforce existing laws, educating the public about animal issues, joining with corporations on behalf of animal-friendly policies, and conducting hands-on programs that make ours a more humane world. We are a leading disaster relief agency for animals, and we provide direct care for thousands of animals at our

sanctuaries and rescue facilities, wildlife rehabilitation centers, and mobile veterinary clinics (HSUS About Us, 2012).

Membership

The website frequently noted the HSUS was 11 million members strong. Redford navigated to the membership specifics and found that the HSUS currently circulated a “*Kind News*” magazine to nearly 644,000 kindergarten - 6th grade children. Another magazine, “*All Animals*,” circulated to the 450,000 registered and yearly membership holders. Annual membership cost \$25. Members were encouraged to make additional donations beyond their annual membership dues (The Humane Watch Team, ‘A’).

There was also an icon where a member could increase or decrease the amount of mailing notifications received from the HSUS. Roger further found that the HSUS utilized multiple mail circulation centers, which distributed from Washington D.C. or Phoenix, Arizona. In addition, Redford found that member information, such as name, addresses, and interests in the HSUS, could be exchanged by the HSUS with other organizations that supported the work of the HSUS. He noticed that the group included a disclaimer noting that membership information was never sold, but given to like organizations (HSUS Membership, 2012).

Pet Shelters

After steering through membership information, Redford looked into the specifics of HSUS involved pet shelters. Roger was a dog owner, family man, and friend of various animals having grown up on a farm. One of his main concerns was the welfare of animals both locally and nationally. Of the established pet-shelter grants, Roger wondered how much of the grant funding was used in the establishment and continuous management of shelters. Redford found that to some extent the HSUS assisted with state and local pet shelter needs, but it rarely established or operated a pet shelter.

Roger found examples of the HSUS assisting local pet shelters. Some of the assistance included funding to: Central Missouri Humane Society in the amount of \$3,039; Chimp Haven, Inc. in the amount of \$10,000; Claiborne County Animal Control in the amount of \$2,500; and Cincinnati SPCA in the amount of \$5,000. These expenditures were largely grants used for spay and neuter support, animal rescue, animal shelter, and animal aid. It was apparent to Redford that the group donated small amounts across many shelters (HSUS Annual Reports, 2011).

In other words, most of the local shelters one would visit would be locally or governmentally run and funded. The HSUS did not operate a single pet shelter under the name of the HSUS. However, Roger found that the HSUS provided more than \$500,000 in pet-shelter grants. This expenditure was a portion of the program expenses section of Table 1. The HSUS also spent close to \$24 million dollars in fundraising related costs, which represented about 16% of the total revenue in Table 1 (The Humane Watch Team, ‘A’).

Table 1: HSUS Income Statement

Revenue	
Primary Revenue	\$134,222,459
Other Revenue	\$14,481,361
Total Revenue	\$148,703,820
<i>Note: This organization receives \$0 in government support.</i>	
Expenses	
Program Expenses	\$97,389,437
Administrative Expenses	\$4,723,891
Fundraising Expenses	\$24,248,073
Total Functional Expenses	\$126,361,401
Excess (or Deficit) for the year	\$22,342,419
Net Assets	\$187,515,301

Employment

After seeing a few shelter expenditures and an employment link on the website, Redford wondered how employees at the HSUS were treated. He knew that most of the people working at the local humane shelter were volunteers. However, he found that the average salary of an HSUS employee was \$68,095.11 and the CEO currently received \$252,540.00 yearly. Redford noticed that CEO, Wayne Pacelle, had made it a mission to support the employee pension plan for the 636 employees of the HSUS. Additionally, he also noted that Pacelle had used nearly \$14 million dollars from donations to fund pensions in 2011. That amounted to roughly \$22,000 per employee (The Humane Watch Team, 'A').

Redford looked further and found sections featuring salaries and wages headers. On the Form 990, he saw sections marked "Other Salaries and Wages" that equaled \$26,766,424 and "Compensation of current officers, directors, trustees, and employees" equaling \$2,182,367. Furthermore, he noted that in some cases, employees were paid from by the HSUS and other related organizations. In 2010, one employee received a \$74,554 yearly HSUS salary, \$111,831 from related organizations, and \$65,932 from a category marked other compensation from the organization and/or related organizations. Almost every employee working for the HSUS received a yearly salary from the organization and a large amount of money from the "other" category. Sometimes funds from the other category exceeded their yearly HSUS salary (HSUS Annual Reports, 2011).

Redford noticed that the HSUS had increased Pacelle's salary by nearly 7% between 2010 and 2011 (The Humane Watch Team, 'A'). Other members of the HSUS administrative executive team worked only part time during some weeks, working as little as 1 hour per week, and kept their yearly salary (The Humane Watch Team, 2011).

Lobbying

Redford noticed the HSUS had set goals in several areas of animal advocacy. As part of advancing the cause of animals, HSUS had been involved with picketing Capitol Hill and had spent nearly \$3.6 million dollars on lobbying for various causes in 2010. Between 2005 and 2009, the HSUS showed \$17.3 million dollars in lobbying expenses (The Humane Watch Team, 2011 'A'). Expenditures were largely funded through donations.

The HSUS also advertised its legislative actions on the website and highlighted some of the legislative successes. Some examples of federal legislative acts, laws, or bills that the HSUS had been involved with included (but are not limited to): Antibiotic Overuse on Factory Farms; American Horse Slaughter Prevention Act; Captive Primate Safety Act; Federal Bird-Safe Buildings Act; Sportsmanship in Hunting Act (HSUS Federal Legislation, 2012).

HSUS legislative activities were not limited to the federal level. He found that HSUS sponsored something it referred to as "Lobby Days." Redford let his curiosity carry him and saw that the group summarized its activities with the following:

Humane Lobby Days are events sponsored by The HSUS where citizen animal advocates like you gather to learn and practice lobbying for animal protection laws at the state level. Each is a full-day event including a lobbying workshop and an overview of relevant bills in your state legislature. Appointments are made for you with your state legislators so that you can meet with them (or their staff) face to face and ask for animal-friendly votes (HSUS Events, 2012).

Roger then navigated to the state legislative acts. He noticed that everyone could see their home state and a chart containing a ranking of how their state scored in animal protection laws and animal rights. Redford guided the mouse to a large list of state legislative acts with which HSUS had been involved. The list included actions in a number of actions in various states, including:

- Puppy Mills- Iowa, Missouri and Oklahoma;
- Greyhound Racing- New Hampshire and Rhode Island;
- Antifreeze Safety- Illinois, Massachusetts, New Jersey, Utah and Wisconsin;
- Primates as Pets- Illinois.

Redford noted that many of these acts aimed at animal safety also involved other things like automobile regulations and regulations on certain pet groups or standards for owners of certain animals. Examples of this included requiring pet owners to keep antifreeze stored in certain containers and areas in their own household, the ability to buy certain (or any) primates as pets in particular regions, as well as certifications or licenses to own and care for certain pet species or groups (HSUS State Legislation, 2012).

Roger identified a few bits of lobbying facts about the HSUS on other websites as well. He found that between 2004 and 2008, the HSUS had pursued over 2,000 lobbying efforts (Humane Watch Team, 'B'). Furthermore, he saw that the HSUS took credit for assisting in the passing of over 700 Federal and State Laws (Humane Watch Team, 'A'). Moreover, Roger found that the HSUS operated a website named the "Humane Society Legislative Fund" where members and

non-members had access to HSUS State and Federal Legislation. Users of this site could choose to be alerted to new initiatives, ballot casting, and have the ability to donate directly to legislative efforts (Humane Society Legislative Fund, 2012).

Financial Information and Form 990

As Roger looked through a few websites giving their opinions of the Humane Society of the United States, he found that the HSUS satisfied the 2011 Better Business Bureau’s “20 standards for Charity Accountability” (The Better Business Bureau, 2011). Moreover, Charitynavigator.org had scored the HSUS a total of 60.73 points, out of a possible 70.

Table 2: HSUS Form 990

Information Provided on the Form 990	Provided?
Independent Voting Board Members	Yes
No Material diversion of assets	Yes
Audited by independent accountant	Yes
Does Not Provide or Receive Loan(s) From related parties	Yes
Documents Board Meeting Minutes	Yes
Provided Form 990 to organization's governing body in advance of filing	Yes
Conflict of Interest Policy	Yes
Whistleblower Policy	Yes
Records Retention Policy	Yes
CEO listed with salary	Yes
Process for determining CEO compensation	Yes
Does Not Compensate Any Board Members	Yes
Donor Privacy Policy on Website	No
Board Members Listed on Website	Yes
Audited Financials on Website	No
Form 990 on Website	Yes

(Charitynavigator.org, 2012)

To compare HSUS with some of the top rated charities, Roger used Table 3, which averaged the expenditures of four top-rated charitable organizations, including Vanderbilt College, The Children’s Aid Society, Food for the Poor, and the Breast Cancer Research Foundation (Giorgianni, 2009):

Table 3: Allocation Percentages for Highly Respected Charities

Average Percentages of Expenses Based On Total Revenue	
Program Expenses	93.25%
Administrative Expenses	4.05%
Fundraising Expenses	2.98%
Program Expenses Growth	5.08%
Primary Revenue Growth	5.30%

(Green and Thomas, 2012)

As for charity rules and the government, Redford found that HSUS kept a non-profit status by accepting donations and following certain rules put forth by the IRS. These rules included: be established for a charitable purpose; be non-profit making; not be in violation of the Lobbying Disclosure Act prohibiting non-profits from being overtly active within legislative lobbying and law enforcement; and, be independent from government or local authority (IRS.gov, 2012). In addition, the group also had to have a mission statement defining it as charitable.

Roger knew that most groups sought the rating of a 501 (c) (3) status, which the Humane Society of the United States held. This status incorporated rules such as no shareholder or individual obtaining earnings from the group, the eligibility to receive tax-deductible contributions, application for the 501(c) (3) status through the Internal Revenue Service, and disclosure of specific financial and operating information. Part of the disclosure required filing an IRS Form 990 (Table 2) containing financial and operating information about the organization. This form was similar to what a for-profit organization would provide in its 10(K) statement (IRS.gov, 2012).

Current Activities of the HSUS

As good as all of the HSUS work sounded, Roger wanted to see what the HSUS was working on currently. Redford saw that the non-profit entity operated in 33 states. It also maintained its home office in Hollywood, California to monitor media coverage about animal rights. Once again, Redford perused a number of sites until coming across numerous articles featuring California poaching, the HSUS and the California Department of Fish and Game, problems with the bears of Lake Tahoe, and egg laying hen rights. All of these articles featured the HSUS doing something it considered beneficial to animals.

The first article Roger opened featured the HSUS combating poaching in California. HSUS had teamed with the California Department of Fish and Game (DFG) by funding \$2500 rewards for poaching information that lead to an arrest. (Humanesociety.org, 2009) The HSUS, was also partnering with the California DFG by placing HSUS employees under the authority of the California DFG to act as enforcement agents and to work at the California DFG headquarters to train future DFG wardens and officers.

A related program was titled CalTIP, or California Turn-In-Poachers. Redford was pleased with the effort the HSUS placed on the end of poaching in California and read further. He saw that CEO Pacelle stated, *“We will see the end of wild animals in circus acts, and we’re phasing out animals used in research. If we could shut down all sport hunting in a moment, we would”* (Karr, 2011). Though this statement was a bit much for Redford who was a deer hunter during the winter to gain venison or deer jerky, he continued to search for a justification for the statement in other activities.

Redford thought that the actions in California were not enough to meet the expenditures the group claimed, so he began examining other contemporary news articles featuring actions taken by the HSUS. He found that the main mission of the HSUS was “to create a humane and sustainable world for all animals, including people, through education, advocacy, and the

promotion of respect and compassion” (Humanesociety.org, 2012). Redford thought, this was exactly what the HSUS had in mind when it came to bears in the Lake Tahoe region.

The lives of bears intertwined with the population of humans are constantly at risk. Redford found an article featuring the Lake Tahoe region, where bears were frequently a nuisance to tourists and residents. The bear population, according to the DFG, had increased statewide from 4080 bears in 1984 to 40,005 bears in 2009. The California Department of Fish and Game, recommended expanding the bear hunting quota from 1700 animals to 2000 to reduce the expanding population. Instantly, the HSUS argued that this was not in the best interest of the bears (McDaniel, 2012).

Roger saw that the HSUS was attempting to assist a rewrite of the statewide California bear management plan. In this plan, the HSUS emphasis was on bear rights and reducing bear hunting. The HSUS was holding its position on limiting any type hunting while hoping to reestablish bear management in other wildlife areas (McDaniel, 2012). Roger wondered to himself if working on a daily basis with DFG and providing financial resources to the Department gave HSUS more influence than most individuals or other organizations.

As Roger thought to himself that bears were kind of a big issue, no pun intended, he glanced at a much smaller issue in terms of size. As of February, 2012, the HSUS was defending the rights of egg laying hens and of egg production with a proposed bill. Teamed with the United Egg Producers, the group was lobbying for a national standard to allow scratch areas, perches, nesting boxes, and doubling the current standardized space that egg laying chickens had (*The New York Times*, 2012).

Redford thought that the situation seemed great for the chickens, but noticed many groups, such as the American Farm Bureau Federation, the National Pork Producers Council, and the National Cattlemen’s Beef Association, were in opposition to the introduction of this bill. These groups justified their positions by arguing that the increased expenses for animal rights such as these would spread into other industries and cause spikes in the cost of eggs, beef, pork, milk, and other food products. The HSUS claimed that within the bill farmers would have the right to let current investments work until new equipment was purchased. When new equipment was purchased, the farmer then would be required to meet the new standards for egg laying hens (*The New York Times*, 2012). This was similar to the way changes in building codes were implemented for homeowners. Homeowners, generally, were not required to meet the latest building codes unless they decided to remodel or add on to their existing homes. At that point, the entire home would be required to meet current building codes.

International Involvement

Roger navigated to a section on the HSUS website called “Seriously, Canada?” This section highlighted a perceived need by HSUS to end seal hunting in Canada and called for citizens to sign up by boycotting Canadian goods or services. The site included a standardized form to elicit member participation. People wanting to support the boycott were encouraged to use the following:

Dear Canada,

We're boycotting your seafood. Inundating your prime minister with calls and letters. Rallying in cities all over the world.

But Canada, you STILL haven't ceased the senseless slaughter of hundreds of thousands of seals every year for their fur. What's worse—so many pups will die because there is virtually no sea ice in key seal birthing areas. And you won't spare the survivors?

Seriously, Canada?

Enough is enough. I want you to cancel the commercial seal hunt this year—and forever. I'm serious. To show you how serious, I'm making you this promise:

A user then had the option to choose from the following acts if Canada ended seal hunting: buy a lifetime supply of maple syrup; book a romantic getaway to Niagara Falls; shave a maple leaf into my hair; volunteer at an animal shelter; buy Canadian Seafood; bathe in maple syrup; adopt a rescue animal from a local shelter; take a cruise to Vancouver; post a video of myself singing “O Canada”; host a Canadian themed party; root for the Montreal Canadians; make a snow angel in a bathing suit; or choose your own (insert here) (HSUS Seriously Canada, 2012).

The HSUS also was associated with another entity called the Humane Society of Canada. In 2010, the Humane Society of Canada was ordered to return almost \$2.5 million in funding to the HSUS. A United States judge of international trade decided that donations across borders were not acceptable from the HSUS to the Humane Society of Canada. This was because the donation from the HSUS was not in the form of a grant and was given to an international non-profit organization to be used in an unspecified manner. The money was ordered returned to the HSUS from the Canadian organization (Activist Cash, 2012).

Shocked that the HSUS was active outside of the United States and with such large funds, Redford tracked back to the “Statement of Activities Outside the United States” in the HSUS Form 990. He found that the HSUS committed thousands of dollars in grants to other countries. These grants were to help pay for services including stopping animal cruelty, building animal hospitals, banning fur harvesting, funding legislation in other countries, wildlife protection, and animal contraception programs. The following are a sample of grants given in 2010:

- Central America and the Caribbean - \$30,750
- Europe - \$138,342
- South Asia – \$78,715
- Sub-Saharan Africa – \$78,750

The monetary expenditures outside of the United States totaled \$606,741 (HSUS Annual Reports, 2012).

Conclusion

Redford now had information on HSUS. However, he still had questions. Did the organization support worthwhile causes? Was it utilizing resources in a manner he felt comfortable or would animals be better off if he donated to another organization? What would happen if HSUS were successful in achieving its mission? Redford's hand settled on the mouse and circled the "donate now" button on his computer screen. What should he do? Did HSUS deserve his donation?

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