



# The Humane Society of the United States and Affiliates

Supplemental Schedule of Functional  
Expenses - Humane Society International  
Year Ended December 31, 2016

**The Humane Society of the  
United States and Affiliates**

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Supplemental Schedule of Functional Expenses  
- Humane Society International  
Year Ended December 31, 2016

# The Humane Society of the United States and Affiliates

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## Independent Auditor's Report on the Supplemental Schedule of Functional Expenses

To the Board of Directors  
The Humane Society of the United States  
Washington, D.C.

We have previously audited the consolidated financial statements of The Humane Society of the United States and Affiliates (The Society) as of and for the year ended December 31, 2016, and have issued our report dated May 17, 2017 which contained an unmodified opinion on those consolidated financial statements. Our audit was conducted for the purposes of forming an opinion on those consolidated financial statements as a whole. We have not performed any procedures in regard to those consolidated financial statements since our report date of May 17, 2017.

The supplemental schedule of functional expenses - Humane Society International presented in the following section of this report is presented for purposes of additional analysis and is not a required part of the consolidated financial statements referred to above. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Humane Society international is an affiliate of The Society, and as discussed within the footnotes, is included within the consolidated financial statements of the Society.

**BDO USA, LLP**

October 9, 2017

## Supplemental Schedule of Functional Expenses

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# The Humane Society of the United States

## Supplemental Schedule of Functional Expenses - Humane Society International

<i>Year ended December 31, 2016</i>	Program Expenses					Management and General		Fundraising	Total
	Direct Care	Public Policy	Corporate Policy	Education	Total Program				
<b>Expenses</b>									
Salaries	\$ 853,364	\$ 740,605	\$ 239,657	\$ 1,307,896	\$ 3,141,522	\$ 190,744	\$ 289,616	\$ 3,621,882	
Employee benefits	192,229	166,828	53,985	294,617	707,659	42,967	65,239	815,865	
<b>Total compensation</b>	<b>1,045,593</b>	<b>907,433</b>	<b>293,642</b>	<b>1,602,513</b>	<b>3,849,181</b>	<b>233,711</b>	<b>354,855</b>	<b>4,437,747</b>	
Education material, publications and campaigns	315,837	274,104	88,699	484,064	1,162,704	70,596	107,189	1,340,489	
Mailing costs	474,294	411,623	133,200	726,922	1,746,039	106,015	160,967	2,013,021	
Consultant and contracted services	1,305,455	1,132,959	366,621	2,000,791	4,805,826	291,796	443,048	5,540,670	
Professional fees	73,795	64,044	20,724	113,101	271,664	16,495	25,045	313,204	
Contributions and grants	380,301	754,390	136,431	620,244	1,891,366	-	-	1,891,366	
Travel and events	169,425	147,038	47,581	259,667	623,711	37,870	57,500	719,081	
Supplies and field expenses	160,464	139,261	45,064	245,934	590,723	35,867	54,459	681,049	
Bank and trustee fees	-	-	-	-	-	93,892	481,761	575,653	
Occupancy and building expense	48,205	41,835	13,538	73,880	177,458	10,775	16,360	204,593	
Postage and shipping	6,218	5,396	1,746	9,530	22,890	1,390	2,110	26,390	
Telephone	14,694	12,753	4,127	22,521	54,095	3,284	4,987	62,366	
Insurance and bonds	3,905	3,389	1,097	5,984	14,375	873	1,325	16,573	
Real estate and other taxes	3,506	3,043	985	5,373	12,907	784	1,190	14,881	
<b>Total expenses</b>	<b>\$ 4,001,692</b>	<b>\$ 3,897,268</b>	<b>\$ 1,153,455</b>	<b>\$ 6,170,524</b>	<b>\$ 15,222,939</b>	<b>\$ 903,348</b>	<b>\$ 1,710,796</b>	<b>\$ 17,837,083</b>	

*See Notes to the Supplemental Schedule*

# The Humane Society of the United States

## Notes to the Supplemental Schedule of Functional Expenses

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### 1. The Organization

The Humane Society of the United States and Affiliates (collectively, The Society) is a not-for-profit organization whose primary purpose is the worldwide advancement of humane treatment of animals through public education, awareness, and direct animal care programs. An affiliate of the Society is noted below and who is the subject of this supplemental reporting:

*Humane Society International, Inc. (HSI)*

HSI, founded in 1991, seeks to educate audiences worldwide about compassion toward animals, carry out direct animal care, rescue and disaster response; provide technical and scientific support to local partners; and to increase the priority given worldwide to animal protection issues by policy-makers, industry, and civil society. HSI also encompasses the below related entities throughout the world:

- Humane Society International (UK)
- Humane Society International Latin America
- Humane Society International/ Canada
- Friends of Humane Society International for the Protection and Conservation of Animals
- Humane Society International: India
- Humane Society International - Europe
- Humane Society International Mexico

HSI's operations are consolidated within The Society's consolidated financial statements.

### 2. Functional Allocation of Expenses

The cost of providing various programs and other activities has been summarized on a functional basis in the consolidated statements of activities and consolidated statements of functional expenses of The Society (not included in this supplemental report). Expenses that can be identified with a specific program or support service are charged directly according to their natural expenditure classifications. Certain costs common to multiple functions have been allocated among the various functions benefited. General and administrative expenses include those costs that are not directly identifiable with any specific function, but which provide for the overall support and direction of The Society.

### 3. Allocation of Joint Costs

The Society has allocated the joint costs of providing educational materials and activities that include a fundraising appeal. Since only those activities that include both programmatic and fundraising components are included in this allocation, the amounts do not include all of the expenses presented in the consolidated statement of functional expenses. This allocation is based upon the percentage of material in each mailing or television advertising related to the particular services as determined by content analysis.

# The Humane Society of the United States

## Notes to the Supplemental Schedule of Functional Expenses

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Total HSI costs for mailing pieces and television advertising spots that requested financial support and served other program or management functions were allocated as follows for the year ended December 31, 2016:

Program	\$	1,496,694
Management and general		87,599
Fundraising		1,358,266
	\$	2,942,559

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