



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

Supplemental Schedule of Functional  
Expenses - Humane Society International -  
United States Operations only  
Year Ended December 31, 2020

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

---

Supplemental Schedule of Functional Expenses - Humane Society  
International - United States Operations only  
Year Ended December 31, 2020

# The Humane Society of the United States and Affiliates

## Contents

---

Independent Auditor's Report on the Supplemental Schedule of Functional Expenses	3
Supplemental Schedule of Functional Expenses - Humane Society International - United States Operations only	4
Notes to the Supplemental Schedule of Functional Expenses	5 - 6



Tel: 703-893-0600  
Fax: 703-893-2766  
www.bdo.com

8401 Greensboro Drive  
Suite 800  
McLean, VA 22102

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

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, 2020, and have issued our report dated May 6, 2021, 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 6, 2021.

The supplemental schedule of functional expenses - Humane Society International - United States Operations only 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 described in the accompanying notes to the supplemental schedule of functional expenses, is included within the consolidated financial statements of the Society. This report should be read in conjunction with the audited consolidated financial statements of the Society as of and for the year ended December 31, 2020.

### ***Restriction on Use***

This report is intended solely for the information and use of the Board of Directors and management of the Society and is not intended to be and should not be used by anyone other than these specified parties.

*BDO USA, LLP*

May 26, 2021

## Supplemental Schedule of Functional Expenses

---

## The Humane Society of the United States

### Supplemental Schedule of Functional Expenses - Humane Society International - United States Operations only

<i>Year ended December 31, 2020</i>	Program Expenses						Total Program	Management and General	Fundraising	Total
	Wildlife	Companion Animals	Farm Animals	Animal Testing	Confronting Cruelty					
<b>Expenses</b>										
Salaries	\$ 384,794	\$ 734,782	\$ 345,158	\$ 445,276	\$ 964,762	\$ 2,874,772	\$ 602,087	\$ 576,236	\$ 4,053,095	
Employee benefits	81,693	155,996	73,278	94,533	204,821	610,321	128,154	119,204	857,679	
<b>Total compensation</b>	466,487	890,778	418,436	539,809	1,169,583	3,485,093	730,241	695,440	4,910,774	
Education material, publications and campaigns	232,711	444,373	208,740	269,289	583,458	1,738,571	70,180	1,980,997	3,789,748	
Mailing costs	86,140	164,489	77,267	99,680	215,972	643,548	60	1,105,271	1,748,879	
Consultant and contracted services	442,831	845,605	397,216	512,435	1,110,272	3,308,359	375,923	291,011	3,975,293	
Professional fees	34,700	66,260	31,125	40,154	86,999	259,238	31,045	-	290,283	
Contributions and grants	1,244,347	2,376,135	1,116,170	1,439,932	3,119,844	9,296,428	-	-	9,296,428	
Travel and events	47,180	90,092	42,320	54,596	118,290	352,478	42,144	971	395,593	
Supplies and field expenses	49,674	94,855	44,557	57,482	124,543	371,111	30,898	194,402	596,411	
Bank and trustee fees	-	-	-	-	-	-	144,908	442,597	587,505	
Occupancy and building expense	7,176	13,703	6,437	8,304	17,992	53,612	6,421	-	60,033	
Depreciation and amortization	2,679	5,116	2,403	3,100	6,717	20,015	2,397	-	22,412	
Postage and shipping	2,744	5,240	2,461	3,175	6,880	20,500	2,455	-	22,955	
Telephone	840	1,605	754	972	2,107	6,278	744	118	7,140	
Insurance and bonds	4,974	9,498	4,461	5,756	12,470	37,159	4,450	-	41,609	
Real estate and other taxes	4,431	8,461	3,975	5,127	11,109	33,103	3,465	7,174	43,742	
<b>Total expenses</b>	<b>\$ 2,626,914</b>	<b>\$ 5,016,210</b>	<b>\$ 2,356,322</b>	<b>\$ 3,039,811</b>	<b>\$ 6,586,236</b>	<b>\$ 19,625,493</b>	<b>\$ 1,445,331</b>	<b>\$ 4,717,981</b>	<b>\$ 25,788,805</b>	

*See Notes to the Supplemental Schedule*

# The Humane Society of the United States

## Notes to the Supplemental Schedule of Functional Expenses - United States Operations only

---

### 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 which is the subject of this supplemental reporting:

#### *Humane Society International, Inc. (HSI)*

HSI, founded in 1991, educates audiences worldwide about compassion toward animals, carries out direct animal care, rescue, and disaster response; provides technical and scientific support to local partners; and seeks to increase the priority given to animal protection issues by policymakers, industry, and civil society worldwide. HSI's core campaigns focus on the humane management of street animals via sterilization and vaccination in much of Asia, Latin America, and South America; the elimination of the dog meat trade; an end to the confinement of farm animals in battery cages and gestation crates in India, Brazil, Mexico, and elsewhere; a phase-out of animal testing for human and environmental hazard and risk assessment; a halt to the killing of seals for commercial purposes; the cessation of shark finning and shark fin soup consumption; and the restriction of mercy release programs that encourage the capture and subsequent release of wild animals. HSI works aggressively against the illicit global wildlife trade, advances efforts to stop commercial whaling (via the International Whaling Commission) and seeks to improve wildlife protection mechanisms in international trade negotiations. HSI also campaigns against the trapping and ranching of animals for fur garments and promotes wildlife contraception as a humane way to manage wildlife populations (particularly elephants) without the stress of capture and translocation or culling. In addition, HSI responds to cases of companion animal suffering (e.g., rescuing dogs from the dog meat trade in Asia or from puppy mills in Canada) and to major disasters that affect animals by sending skilled responders and funding support when disasters occur.

HSI incorporates affiliates located throughout the world. However, this supplemental report only includes HSI affiliate operations that occur solely in the United States (HSI-US) and activities related to other affiliates is not included.

HSI-US'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 statement of activities and change in net assets and consolidated statement of functional expenses. Costs that can be specifically identified with a final cost objective are charged directly to that activity. Certain categories of expenses that are attributable to one or more program or supporting functions of the organization are allocated. The method of allocation is listed below by allocation name. Management and general costs include the Office of the President, Office of General Counsel, Information Technology and other general costs.

# The Humane Society of the United States

## Notes to the Supplemental Schedule of Functional Expenses

---

The table below provides details around each functional expense allocation of the Society:

<b>Allocation Name</b>	<b>Method/Basis of Calculation</b>
Building costs	Headcount
Depreciation	Asset ownership by department
Contributions and grant expense	Individual assessment of each award
Bank and lockbox fees	Direct allocation
Management and general costs	Salary per functional expense divided by total salaries

---

### 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 digital marketing component related to the particular services as determined by content analysis.

Total HSI-US costs for mailing pieces and digital marketing component that requested financial support and served other program or management functions were allocated as follows for the year ended December 31, 2020:

Program	\$ 2,105,608
Fundraising	4,717,981
	<hr/>
	\$ 6,823,589

---