



The Humane Society of the United States and Affiliates

Supplemental Schedule of Functional
Expenses - Fund for Animals
Year Ended December 31, 2016

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United States and Affiliates**

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Expenses - Fund for Animals
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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 - Fund for Animals 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.

Fund for Animals 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

The Humane Society of the United States

Supplemental Schedule of Functional Expenses - Fund for Animals

<i>Year ended December 31, 2016</i>	Program Expenses					Management and General		Fundraising	Total
	Direct Care	Public Policy	Policy Policy	Education	Program				
Expenses									
Salaries	\$ 2,140,084	\$ -	\$ -	\$ -	\$ 2,140,084	\$ 29,454	\$ 35,947	\$ 2,205,485	
Employee benefits	614,655	-	-	-	614,655	6,840	8,347	629,842	
Total compensation	2,754,739	-	-	-	2,754,739	36,294	44,294	2,835,327	
Education material, publications and campaigns	105,692	-	-	-	105,692	16,274	19,861	141,827	
Mailing costs	568,239	-	-	-	568,239	147,303	179,771	895,313	
Consultant and contracted services	367,478	-	-	-	367,478	32,814	40,047	440,339	
Professional fees	277,741	-	-	-	277,741	67,570	82,463	427,774	
Contributions and grants	35,000	-	-	-	35,000	-	-	35,000	
Travel and events	91,152	-	-	-	91,152	421	514	92,087	
Supplies and field expenses	1,068,350	-	-	-	1,068,350	535	653	1,069,538	
Bank and trustee fees	-	-	-	-	-	66,247	49,831	116,078	
Occupancy and building expense	643,231	-	-	-	643,231	25,301	30,878	699,410	
Depreciation	584,475	-	-	-	584,475	-	-	584,475	
Postage and shipping	13,854	-	-	-	13,854	483	590	14,927	
Telephone	46,870	-	-	-	46,870	1,633	1,993	50,496	
Insurance and bonds	86,505	-	-	-	86,505	22,802	27,828	137,135	
Real estate and other taxes	24,494	-	-	-	24,494	1,303	1,590	27,387	
Total expenses	\$ 6,667,820	\$ -	\$ -	\$ -	\$ 6,667,820	\$ 418,980	\$ 480,313	\$ 7,567,113	

See Notes to the Supplemental Schedule

The Humane Society of the United States

Notes to the Supplemental Schedule of Functional Expenses

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:

The Fund for Animals (FFA)

FFA has been responsible for most HSUS animal care facilities since 2005, including the Cleveland Amory Black Beauty Ranch in Texas, the Cape Wildlife Center in Massachusetts, the Duchess Sanctuary in Oregon, and the Fund for Animals Wildlife Center in California. These facilities focus on rehabilitation, release and hands-on care and rescue of injured, orphaned, and abandoned animals, as well as promoting the humane treatment of all animals and the prevention of cruelty through education and advocacy.

FFA'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.

Total FFA 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	\$	619,055
Management and general		31,478
Fundraising		442,352
	\$	1,092,885
