

FOCUS: BEST-MANAGED NONPROFIT

New practices help Huron Valley Humane Society save money, animals

BY SHERRI BEGIN WELCH

CRAIN'S DETROIT BUSINESS

Four years ago, the Ann Arbor-based **Humane Society of Huron Valley** faced a \$250,000 budget deficit and the loss of its fifth executive director in seven years.

Today, the organization has stable leadership, stable finances, much of its \$8.5 million capital campaign target raised for construction and operation of a new, "green" animal shelter, several new programs and a 72 percent "save rate" for caring for and adopting out the animals brought to its shelter rather than euthanizing them.

At the end of 2007, the society reported nearly \$5.4 million in total revenue, with an excess of \$2.9 million and fund balances of \$6.7 million at year's end.

It's transitioned from a membership-run organization to a board-driven one, putting an end to years of micromanaging and infighting.

The Humane Society of Huron Valley's strong turnaround story has earned it designation as runner-up in *Crain's* 2008 Best-Managed Nonprofit Contest.

"We had to take a hard look at what we wanted (the society) to be and where we'd fallen," said Executive Director Tanya Hilgendorf, who took the reins of the organization in 2005.

The society rebuilt its management team and board after half the board resigned amid executive director turnover, the budget issues and staff layoffs.

The society brought in not just animal lovers but board members with expertise and experience in nonprofit board management.

Hilgendorf put in place infrastructure that had been absent, developing job descriptions, employee review systems and written policies and procedures for every department. She instituted a culture of respect for all staff and volunteers, seeking input while maintaining control over the management of the organization.

The society committed to operate under the Asilomar Accords, a set of guiding principles developed in 2004 by national animal welfare leaders to significantly reduce animal euthanasia.

It created new programs to treat and adopt out sick, injured and behaviorally challenged animals to meet its commitment to the principles.

Programs included the "Furry Godmother Fund" to cover care for animals with expensive health care issues, the "Diamonds in the Ruff" adoption program to match owners willing and able to provide extra care for animals that required it, and a low-cost sterilization program for the pets of elder-



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Tanya Hilgendorf became executive director of the Humane Society of Huron Valley in 2005 when the society had a budget deficit. Today, the organization is on stable financial footing.

ly, disabled or low-income owners. Since 2005, the program has spayed or neutered 7,000 pets that would have produced an estimated 28,000 or more offspring.

In an effort to decrease the number of animals abandoned or dropped off at the shelter, the society also established a behavior help line with funding from **PetSmart Charities** and the

assistance of more than 300 volunteers. And it established an off-site adoption site with **PetSmart** that's adopted out more than 200 animals so far.

In response to Washtenaw's growing population of feral, or untamed, cats, estimated to be as high as 60,000, the Humane Society of Huron Valley in 2007 began a trap, neuter and return strategy to reduce their numbers and minimize aggressive territorial behavior related to mating, as well as euthanasia of problematic animals.

The society tapped volunteers to assist its staff in trapping feral cats and transporting them to its clinic for a health check, sterilization, vaccination and ear-tipping to identify them. Since the summer of 2007, it's sterilized and returned to their colonies 900 feral cats, now monitored by volunteer caregivers.

"Our mission is the bottom line, but money is essential to that," Hilgendorf said.

The society increased its online newsletter appeals and its efforts on an annual walk-your-dog fundraiser, which had been raising an average of \$35,000 per year. This year it raised \$110,000, Hilgendorf said.

The society also renegotiated its contract with Washtenaw County to pick up strays in Plymouth and Canton Township from \$135,000 to \$500,000 annually, based on the higher operating costs of its new shelter.

It was able to secure a 65-year lease with the **University of Michigan** for property adjacent to its current building and near **Matthei Botanical Gardens & Nichols Arboretum** for construction of the new shelter, which began in September. The society launched an \$8.5 million capital campaign two years ago to fund the new shelter, forging new relationships with the effort. About 70 percent of those contributing \$6.9 million to date to the campaign were new donors the society hopes to cultivate into annual donors, making five-year operating pledges, Hilgendorf said.

The Humane Society of Huron Valley "showed tremendous leadership in reformatting the board, getting the community back on board and hiring an executive director who brought best business practices and had much more fundraising experience," said Gary Dembs, founder of the **Non-Profit Personnel Network Inc.** in Southfield and a judge in this year's contest.

"They were able to expand programs while keeping a cash reserve and are looking forward to a potential endowment growth and a new home."

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