



Putting Pets with People
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Central Missouri Humane Society Update to March 2009 SCORE Report

This is a summary of the findings from the March 2009 report completed by Service Corps of Retired Executives (SCORE) with updates provided by the Central Missouri Humane Society. SCORE was engaged to help CMHS address a financial deficit trend. The key issue was the long term viability and the feasibility of sustaining the operation in its current model. The root cause was determined to be the imbalance between animal intake and the shelter's capacity to handle.

Each SCORE finding represents an opportunity to achieve our stated goal of *a financially, smooth running operation, recognized widely for effective service in the targeted animal services realm*. The complete SCORE report in total is attached following the summary of findings.

Following each SCORE finding is a brief CMHS update exemplifying how the organization has incorporated these opportunities since March 2009.

SCORE Finding

A. Absence of strategy development and deployment

- The practices and operating models covered in the benchmark study provide information that should be thoroughly digested and selectively implemented.

CMHS Update: In 2008 CMHS began its strategic planning journey with the engagement of SCORE to examine finances, operations, structure, and board effectiveness. In addition, CMHS began collecting information regarding the cost of animal intake by examining common scenarios and the geographic representation of animal origination. Studies completed by MU Business Administration students were reviewed with post-study interviews being completed by the CMHS executive director with a portion of cities identified as being comparable to the City of Columbia.

Of sixteen cities, both a private and a municipal shelter were operating in 43 percent of them. Only a municipal shelter was found in 31 percent of the cities and the remaining 25 percent used a model much like CMHS in which a humane society contracted with or provided animal control services.

Executive directors in five humane agencies interviewed in regard to their business models including municipal contracts held, open-door versus limited-intake, intake fees, and capital campaign status. A presentation has been produced for the CMHS board of directors to

examine four business models commonly used in animal welfare agencies. The CMHS board of directors will review the models in November 2009, so that an informed decision can be made going forward into strategic planning.

SCORE Finding

B. Finances not managed toward a balanced budget

- The fee structure and collection practices must be adjusted to compensate the shelter for value provided. Enforcing a standard of 100% drop off fee collection is normal.
- Immediately develop an annual operating plan to achieve a balanced budget. All options should be considered relative to the geography served, services provided, fees collected, contract income, and realistic assumptions regarding donations. Board to review progress monthly.

CMHS Update: In five of the comparable shelters, two did not collect any intake fees for stray or owned animal drop-offs. Two others charged \$25 per animal and the remaining shelter charged \$54. Two directors suggested that over time they collected more intake fees. One director was aggressively collecting fees and waived them only when the person indicated that the animal would be harmed. No one collecting the fees said they were truly mandatory and most waived the fee if some one could not pay. Mandatory fees are generally collected by limited intake shelters when there is a municipal shelter that can be used as an option.

Mandatory intake fees are being considered, but have not yet been decided upon. Efforts to collect intake fees have not been as successful as desired.

CMHS has strived to overcome deficit spending through a variety of avenues including reducing business hours, eliminating staff positions, and requiring employees to pay partial insurance premiums. At the end of 2008, CMHS had no deficit spending and realized increases in six out of eight income categories. The successful categories included contracted services, shelter income, veterinary income, donations, development, and fundraising, which resulted in an 8.5 percent increase over our budget.

Projections for 2009 indicate that CMHS is on track to finish complete another year without deficit spending.

SCORE Finding

C. Absence of operational planning

CMHS Update: A comprehensive strategic plan was developed in 2007, but has not been revisited in some time. The CMHS board of directors and key staff members will participate in a future strategic planning sessions with a professional facilitator and will develop an associated business plan determining shelter direction and focus.

Meanwhile, the CMHS management team and staffers participated in two internal workshops during 2009. One in particular focused on mapping operational processes in the shelter. That data is currently being compiled into new standard operating procedures. Staff also attended the Humane Society of the United States Expo for additional professional development where they attended workshops on animal shelter best practices. In 2009, the executive director earned the Certified Animal Welfare Administrator designation from the Society of Animal Welfare Administrators.

SCORE Finding

D. Disjointed Board of Directors---lacking unity

- The role of a Board of Directors is to provide direction and fiscal oversight to the organization. The Board must put aside its private agendas, inflexible attitudes and focus on its role in developing sound fiscal policy. The first step is to review and revise the mission and boundaries of service. A strategy development retreat might accomplish this.
- Board meetings must focus on agenda items that address fiscal oversight and strategic direction, not day-to-day operating matters. Committee reports and meeting agenda should be distributed in advance of the Board meeting. Board meetings should be managed to a defined time limit.
- Effective Board standing committees for marketing, planning, personnel, fundraising, Board development, and finance should be established and/or maintained. There is a need for each of these to define its role and tasks. Leadership in these areas is critical. Non Board members should be included on these committees.

CMHS Update: The mission of the organization and scope of service will be addressed in the month of November with a staff presentation of business model options. The goal of the Board is to have the business model decision ready for implementation for the beginning of 2010.

Meeting agendas are now being distributed to the press and on the web-site in compliance with the Sunshine Law. Packets of information related to meeting agenda items and planned resolutions are assembled and delivered to board members several days prior to each meeting.

In accordance to the bylaws, CMHS has several sub-committees to the Board including Budget, Nominating, Staff Liaison, Public Relations, and Facilities. This year a new sub-committee was formed to work with the City Manager, City Council, and the Boone County Health Department to address long-standing issues with the Animal Control contract and the newly funded agreement for Municipal Shelter Services. The Budget committee is active mainly in the later half of the year when the budgeting process begins for the following year. The Nominating and Staff Liaison committees are active most times throughout the year. The Board will also have an ad hoc Zootoo Shelter Makeover committee to assist in the planning and execution of the Zootoo renovations. A sub-committee is being authorized to address issues surrounding the current pet adoption guidelines. The Zootoo and Pet Adoption committees will include staff members, current Board members, and representatives of the community.

Since the March 2009 SCORE report, the CMHS Board has experienced a majority of turnover of its members. New members were strategically recruited to address the needs of the organization and to address findings in the SCORE report.

SCORE Finding

E. Donor Development uncoordinated and confusing

- The CFA is an excellent initiative. It should be an integrated arm of the society and accountable to the Board. Its finances should be transparent to both the Board and its donors.
- Recognize promptly, direct donations to the shelter

CMHS Update: The CMHS Friends for Animals group (CFA), comprised of CMHS donors, recently donated over \$17,000 to the shelter from their first successful fundraiser in 2009. The CMHS Board has clearly defined the relationships between CMHS and CFA and the executive director and CFA facilitators. CFA continues to plan for future fund raising events. Bank accounts of CFA are readily available for viewing for by Board members and the executive director.

As part of the Zootoo project, the CMHS Board is considering the services of a professional fundraising firm in order to plan and produce a capital campaign. Previous donor programs are being revisited and will be back in place in 2010 with program management and fiscal accountability brought back into the shelter.

The donations process in the shelter was examined and consideration was given to hiring part-time staff to help facilitate the acknowledgment process. There are times of the year when CMHS received a large in flux of donations. However, volunteer resources were been identified to provide the office support to promptly thank donors.

SCORE Finding

F. Shelter facility inhibits quality of care and staff working conditions

- Facility upgrade. Establish an ad hoc committee to develop options for renovation or relocation, to be ready for when the Shelter is on stable financial footing, or if the Zootoo makeover comes true.

CMHS Update: In May 2009, CMHS did win the Zootoo.com Shelter Makeover and two board members were identified to form an ad hoc committee charged with planning and supervising the renovations. Peckham and Wright Architects (PWA) developed a master site plan of 616 Big Bear Blvd. Board members and the executive director have worked with Richard Thompson, founder and CEO of Zootoo.com, Septagon Builders, and Shor-line Kennels to plan a renovation of the adoption area for dogs, cats, and small animals. Board action was taken in October 2009 for Richard Thompson to enter contractual agreements with PWA and Septagon to spearhead the renovation.

SCORE Finding

G. ED and staff lacking clear direction

- The responsibilities and goals of the ED must be clearly defined by the Board, and a frequent review process established.

CMHS Update: A comprehensive performance review was given to the executive director in May of 2009 which clarified goals for the following 12 months. A mid-year review is scheduled in November 2009 to assess progress. CMHS performance evaluations were also given to staff members by the shelter operations coordinator and the executive director. Further strategic planning will clarify the future direction of shelter operation.

SCORE Finding

H. Purposeful relationships with municipal government agencies is lacking

CMHS Update: The CMHS Board has strategically recruited new members that have a great deal of experience working with municipal agencies. The number of our contractual

agreements with municipal agencies and income from the contracts has grown steadily since 2006. In 2008, CMHS realized a 16 percent increase in this category.

In 2008, CMHS and the City of Columbia's Animal Control Department developed a voucher program that would offer free sterilization surgeries to individual in the community. Nearly 250 spay/neuter voucher were distributed in the community between April and October of 2008 demonstrating a collaborative approach to address a community-wide issue. CMHS would like to continue a united approach to ease the burden on all agencies that rely heavily on our services.

CMHS supplied the City of Columbia with three years of complete financial documents, participated in a work session with the City Council, attended key council meetings, held meetings with the environmental health manager and the director of the Columbia/Boone County Health Department and will continue to participate in activities that are indicative of a good business partnership.

A sub-committee has been appointed to meet with city and county officials and city council representatives to improve communication and to seek solutions to a common problem; excessive unwanted and homeless animals. It is the desire of CMHS to have a positive and collaborative relationship with the City of Columbia and Boone County. Efforts will be made to strengthen those relationships.