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123 Dog & Cat Court  
Mullins, SC 29574  
[www.pawstotherescue.org](http://www.pawstotherescue.org)

January 10, 2015

Dear PTTR volunteers, donors, transporters and friends:

My name is Jen Nall, and I am the founder and executive director of Paws to the Rescue (PTTR). Since October 2008, PTTR has been under contract with Marion County in South Carolina to manage the Animal Shelter and Care Services of the Marion County Animal Shelter.

The whole PTTR team is extremely proud of the work we have done at the shelter since assuming responsibility for so many precious lives. As the organization's leader, I know I have not thanked you all enough for your valuable time, support, energy, and donations. It's *only* because of all of you that we are able to transport animals almost every weekend to our partner rescues in the northeast, treat heartworm positive dogs, and continue to increase our live release rate every year.

Although running a shelter is both emotionally and physically exhausting, it is a commitment that I accepted almost seven years ago, and one I stand by. However, I realize that I have under-prioritized the needs of the PTTR supporters for what at times felt like a difficult choice between business management and literally saving lives. I have learned that both are equally important and mutually dependent for the success and longevity of a non-profit organization.

That being said, I want to apologize to all of you for not being as visible or as vocal about the concerns raised recently by some on social media regarding PTTR management and operations. As PTTR stakeholders, I believe you deserve my responses to the most pressing of these concerns, so I'd like to take this opportunity to address three main themes: financial transparency, capital improvements, and the allegations made against me and/or the PTTR organization.

### **1. Financial Transparency**

PTTR receives an operational stipend of \$53,000 per year from Marion County. This is certainly not all the money we receive, and I never intended to imply that it was. We are also very grateful for our private donors, corporate donors, monies raised from adoption fees, and in-kind donations of food and supplies. Nevertheless, we do run the shelter on an extremely tight budget, and sadly, sometimes we do face deficits in operating costs that force us to make the heart-wrenching decision to euthanize. We requested more funds from the County in our 2011 RFP response, but our request was denied.

In mid-2014, PTTR hired a CPA to perform accounting services and produce financial reports to provide up-to-date information on a monthly basis. PTTR is also engaging a separate, independent auditing firm to perform an audit of our 2014 year-end financial statements. Once the audit has been completed, it will be made available to the public. All of our donors can be assured that proper protocol is in place to document and manage all incoming monies and expenditures. The audit should also assist PTTR in securing additional funding from Marion County. At the next contract renewal, the County Council will have an objective third party opinion with regard to the funding required to properly run the shelter. PTTR also continues to file its annual 990 tax return each year, which provides a wealth of information about the organization.

In addition, as part of my commitment to make PTTR more transparent to all of you, we will be publishing an annual report. In it, you will be able to review a detailed outline of our expenses, revenue, and liabilities. It will also contain highlights and accomplishments from 2014, as well as details on the number of animals PTTR cared for over the last year. Additionally, it will recognize contributions made by the numerous volunteers who dedicate time each week to transport our animals to rescue partners.

## **2. Lack of Capital Improvements**

Questions and criticisms have been raised regarding the fact that PTTR has not used any of the funding we receive to build a better shelter. I think it's important for you all to know that PTTR's current contract is a ground lease with payment for services, which strictly limits any "alterations, additions, or improvements." The most we can spend is \$1,000 per lease term (of one year) and that is for non-structural alterations only. Recently, kind and generous donors have offered to help pay for improvements to the shelter and/or make upgrades to the property, but the County has put on hold (pending a contract renewal) all requests to implement structural improvement plans.

Currently, we have a "shelter" with less than adequate electrical power and a building that floods whenever there is a hard rain. Capital improvements are needed, and with your help, I hope that we can encourage the County to help us make the needed structural and drainage improvements to the current building. I also hope to soon be able to accept PTTR donors' requests to invest in other structural changes that will improve conditions. We are in most desperate need of enhanced kennels for easy cleaning, fencing to provide more security and prevent animals from leaving the property, and outdoor play areas. Once the county provides a renewed contract and written authorization to allow PTTR to make these improvements, PTTR can also apply for grants specifically available to further improve shelter conditions. I am very optimistic that we will see significant progress in this area in 2015.

## **3. Allegations**

A concerted effort is underway to interrupt PTTR's daily operations. Most of the allegations are blatantly untrue, while others weave false information and outcomes into actual situations. In the past, I have been counseled to ignore the 'noise' and continue my focus on saving lives. Unfortunately, this has recently caused the noise to increase and some of you

who have honest concerns and valid questions were also ignored. I will address some of the allegations here and will address others in future updates.

- At one time, during the spring of 2014, we did use a trailer to house approximately six-eight dogs for no more than eight weeks. The trailer had been donated to us during an over-capacitation crisis situation. It was temperature controlled day and night (meaning it had both heat and air conditioning) and was also safely ventilated. This was by no means an ideal situation, and no shelter director would ever want to house animals in a trailer. So, I understand the concern that this occurred. I ask you to consider, however, that because of our census at that time, the only alternative would have been euthanasia for the sake of space. As the leader of PTTR, I will *always* do everything in my power to avoid euthanizing animals, and so I accepted the trailer as a very temporary, emergency solution. In it, we housed the most fearful, escape-prone, and stressed dogs to keep them away from the barking and chaos of the other dogs during an extremely difficult time. As soon as we were able to do so, we transformed the trailer into a supply shed, which is the purpose it continues to serve to this day.
- There have been allegations that various animals were/are kept at the shelter when a rescue or adopter wanted the dog. I can assure you that we NEVER hesitate to move the animals off the property and into rescue or approved homes as soon as possible. If an animal has remained with us, it was for a very good reason. In response to the pictures circulating of the 'horrible' conditions the animals are suffering, I assure you again that we offer the best housing available for the animals in our care. Dogs do spend part of their day in crates outside when their main kennels are being cleaned. As I previously mentioned, our shelter leaves a lot to be desired. However, we have never wavered from our commitment to ensure that the animals are properly cared for despite the limitations of the facility.
- Certainly, we have some animals in our care that are in poor health, but I assure you without any hesitation that those animals *arrive* in poor condition. We respond with all available veterinary resources to help them regain their strength and vitality. When a veterinarian determines an animal must be euthanized for medical reasons, it is heartbreaking—every single time. Either one of my staff members or I hold each animal that is losing its life, and it never gets easier. We know each dog and cat by name, and we spend significant time with them, particularly the ones that are weak, old, and sick. We are not hardened. Again, I can assure you that no one wants animals to leave here alive more than the PTTR staff.
- Finally, I'd like to address the audit concerns. For those of you who may not be familiar with accounting terminology, the terms "audit" or "audited financial statements" refer to the work product resulting from the independent examination of a nonprofit's financial records by a licensed CPA. An independent audit is an examination of the financial records, accounts, business transactions, accounting practices, and internal controls of a charitable nonprofit by an "independent" auditor. "Independent" refers to the fact that the auditor/CPA is not an employee of the nonprofit, but instead is retained through a contract for services, and hence is "independent." During the independent audit, the auditor will review the organization's financial statements to determine whether they

adhere to “generally accepted accounting principles” (commonly referred to as “GAAP”). While not law, these standards carry weight—when they are not followed, the auditors are required to note that in their report.

The PTTR audit has not yet taken place for several reasons. One reason is because PTTR has never received a written request from the County for an audit. During the 2013 renewal period, a letter dated June 19, 2013 requested, “a financial report for Paws to the Rescue to include revenue and expenditures.” A follow-up letter dated July 29, 2013 altered the request to, “a financial audit for Paws to the Rescue to include revenue and expenditures.” A letter from PTTR’s attorney to the County Administrator dated August 2, 2013, identified the discrepancy between the requests and further explained what an audit request entailed and why it was not possible to provide one with the due date of August 15, 2013. The letter goes on to state that no mention of an audit requirement is included in the original lease agreements or any extensions. Financial information was provided for 2012 and 2013 as an attachment. The County extended the contract on August 13, 2013 without further mention of an audit requirement.

There was no mention of an audit requirement in the 2014 RFP. The only written request for information from the County Administrator (via email dated March 18, 2014) was again requesting “a financial report for Paws to the Rescue to include revenue and expenditures.” The County Administrator and County Council members have used the terms “financial reports” and “audit” interchangeably during County Council meetings, but no written requirement has come from the County Administrator or County Council with specific audit requirements to cover a specific time period. We have, however, provided more financial information and detail to the County in the past six months than we have over the entire period of performance since 2008. (To-date, the County has not raised any concerns with regards to the financial information provided.)

Terminology is important because an audit requirement is expensive. The cost for a 12-month audit is approximately \$8,000-\$10,000 and cannot be performed pro bono by a CPA, for ethical/conflict of interest reasons. In an organization like PTTR, that sum of money can mean the difference between life and death for many animals.

PTTR has decided that, for the benefit of all of our donors and supporters, an audit will be completed for 2014. After much negotiating, research, and networking, we have secured the funds through a generous, anonymous donor to pay for the audit. Our CPA is almost finished preparing PTTR’s year-end 2014 financial statements, and we are finalizing our engagement with the auditing firm. I assure you that audit *will* be completed and made available to the public. And we will be working with the County when it comes time to renew our contract to include terms and conditions in writing to address any future audit or financial reporting requests.

One final topic before I close; I will be seeking greater participation and input from the Board of Directors in the coming year. As some of you have expressed interest in joining the PTTR Board, I will announce the specific requirements and the application process in the near future. I look forward to speaking in more detail with those of you who are interested.

Thank you for your time in reading this letter, and know that there will be more regular communications to come. I look forward to sharing our 2014 accomplishments and goals for the near future in our annual report. My team will also be working on our website to keep it more up-to-date, educational, and informative.

Certainly, many of you will still have questions. Please know that I appreciate and fully support the requests I have received for more transparency. I am working diligently towards the same goal. I hope that this letter suffices as the first step in this New Year, and I ask that you bear with me while I work with my staff to determine the most effective and efficient way to address all concerns and questions moving forward. I look forward to developing PTTR into a more sophisticated organization that is highly communicative and engaged with our volunteers, transporters, donors, and county officials. Most importantly, my commitment to all of you is to be proactive and transparent at every turn so that we can focus, without distraction, on the greatest task at hand—saving the animals.

Thank you for your continued support. We may not say it enough, but all of us at PTTR are grateful every day for the army of rescuers we have behind us, because none of what we have accomplished would have been possible without you.

Yours truly,



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