

ANIMAL ISSUES MOVEMENT

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February 17, 2016

Councilman Paul Koretz
All Members, Personnel & Animal
Los Angeles City Council
200 N. Spring Street
Los Angeles CA 90012

Council President Herb Wesson
All Members, City Council
200 N. Spring Street
Los Angeles CA 90012

Mayor Eric Garcetti
City of Los Angeles
200 N. Spring Street
Los Angeles CA 90012

CF 16-0070 – OPPOSITION - LOS ANGELES ANIMAL SERVICES / LOS ANGELES ANIMAL RESCUE FOUNDATION, INCORPORATED / MEMORANDUM OF UNDERSTANDING

The subject MOU—proposed to solicit funds for a City department—is sought for an obscure financial arrangement between LAAS GM Brenda Barnette and a nonprofit incorporated in 2014 by former Commissioner Maggie Neilson of Global Philanthropy Group, as “The Los Angeles Animal Rescue Foundation.” According to the Global Philanthropy website, the group focuses on human rights, poverty and health issues, but shows no expertise in animal protection or welfare. Additionally, there no Board members or officers identified, and the name (“The Los Angeles Animal Rescue Foundation”) is not indicative of any connection with the Los Angeles Animal Services Department.

Brenda Barnette claims in her January 19, 2016, report that the purpose is “...to support the work of the Department much the way the LAPD Foundation, the LAFD Foundation, the Library Foundation and others support the work of City Departments.” However, other City-department “supporting foundations” clearly mention in their name the agency for which they are soliciting funds. This is merely an agreement to raise money for a “mission” that is not defined in the documents. The stated “purpose” of the Foundation is not even similar to or in alignment with that appearing on the website of L.A. Animal Services.

What is equally concerning is that it appears the funds need not go to the DAS—or to the City at all. They could be used, after being obtained via the weight and “good will” of the City and the department, to unidentified persons (or organizations) claiming to do “rescue” work. However, animal “rescues” and “rescuers” have no official, legal status, no licensing/permits or monitoring by the city, state or federal government—other than having filed an easily obtainable 501(c)(3) tax status form.

If “The Los Angeles Animal Rescue Foundation” is intended strictly as a charitable arm in the same manner as the Library Foundation or LAPD Foundation, why wasn’t it incorporated as “The Los Angeles Animal Services Foundation” or “Friends of Los Angeles Animal Services?” Both names were available according to the CA Secretary of State on January 18, 2016, when this was introduced to the Commission.

Ms. Neilson’s response to the Commission after that question was posed in public comment at the meeting, was that “they” can change the name later. She didn’t explain why a compatible name was not used at the outset. She also did not explain who “they” are.

Obvious difference clouds this proposed financial-support agreement. The MOU states:

“... the specific purpose of the Foundation is to raise funds to support the mission of the Department...;”

The Articles of Incorporation for the Los Angeles Animal Rescue Foundation state:

“The specific purpose of the Corporation is to ensure every animal has a home and that no adoptable animals are euthanized in Los Angeles.”

But the official mandated Mission Statement of the Department of Animal Services is clear:

“To promote and protect the health, safety and welfare of animals and people.”

Deputy City Attorney Dov Lesel reportedly helped develop this MOU. Why would a nonprofit charity be set up by the L.A. City Attorney's office with a statement of purpose not in alignment with the Mission Statement of the agency for which it purports to raise funds?

There are fundamental legal and functional differences between a public, tax-funded animal control agency, such as L.A. Animal Services—which is mandated to pick up and impound stray/sick animals, maintain open-entry shelters, and enforce laws to protect animals and people—and a private, donation-based “rescue,” which offers homeless animals for adoption after an owner relinquishes them or fails to claim them from the shelter.

Would donors seeking to support the idealistic goals of “The Los Angeles Rescue Foundation” feel deceived that their money is spent on the public-safety obligations of a city animal-control agency, including humane euthanasia when necessary?

Transparency is also of concern. Annual financial statements of “The Los Angeles Animal Rescue Foundation” will be provided *only to Brenda Barnette, the Department's senior accountant, and the Commission*. And, any other financial data or list of officers and/or employees will be provided only to the Department upon request, according to the MOU.

One expert explained, “When a governmental agency, such as L.A. Animal Services, joins with an allied nonprofit to raise funds, they then have an unaccountable partner that is not subject to the scrutiny of CA Public Records Act requests.”

L.A. Animal Services is definitely not cash-strapped or lacking in charitable funding. Although General Manager Brenda Barnette frequently claims she is hampered by a lack of funds, donors give generously and leave sizable bequests to support the homeless animals impounded at City shelters directly through The Animal Welfare Trust Fund, which exists strictly for the purpose of providing a well-monitored account for donated funds.

This is not the first time Ms. Barnette has established a nonprofit, purportedly to fundraise for L.A. Animal Services; however, the 2011 organization (which is still collecting funds under the name, “Friends of L.A. Animal Shelters”) is not shown on the donor reports provided by Ms. Barnette to the Commission. Records obtained through CPRA requests detail how Ms. Barnette set up this organization with the involvement of another former Commissioner, Terri Marcellaro. (See attached article on CityWatchLA.)

Since it is not clear whether the Department of Animal Services would be the only recipient of fundraising by “The Animal Rescue Foundation,” this might create a misunderstanding by donors and those leaving bequests as to the exact use of their donated funds.

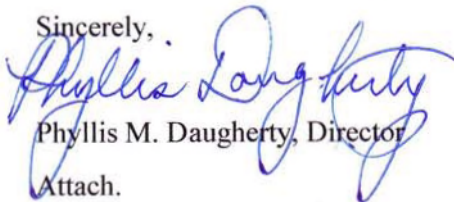
According to GM Barnette's report on January 26, 2016, there is a balance of \$2,288,560.00 in the Animal Welfare Trust Fund (AWTF). The unrestricted current donations, which can be used for any existing program for the welfare of animals except spay/neuter, total \$1,206,992.75.

The Animal Sterilization (Spay/Neuter) Fund—which also solicits funds for use by L.A. Animal Services--shows a cash balance of \$4,684,103.47 (as of 12/31/2015) from donations, grants, pet-adoption deposits, fees, and General Fund subsidy.

There is no indicated need for another fundraising account for LAAS. In fact, GM Barnette had to be instructed by the Commission in late 2014 to spend \$500,000 to reduce the balance of the AWTF Fund.

The City should not enter into any agreement which proposes to solicit charitable funds from the public without a structured plan, clarity, transparency and oversight. The Personnel and Animal Welfare Committee and City Council should **VOTE “NO”** on the proposed MOU between L.A. Animal Services and the “The Animal Rescue Foundation.”

Sincerely,


Phyllis M. Daugherty, Director

Attach.

Has LA Animal Services Brenda Barnette Crossed the Line with Questionable Fundraising MOU?

PHYLLIS M. DAUGHERTY

01 FEBRUARY 2016

ANIMAL WATCH - Was it an oversight or intentional that the new nonprofit proposed by General Manager Brenda Barnette to solicit funds for the Los Angeles Department of Animal Services was incorporated as "The Los Angeles Animal Rescue Foundation?"

At the January 12, 2016 meeting of the Animal Services Commission, GM Brenda Barnette urged approval of a Memorandum of Understanding (MOU) between Los Angeles Animal Services and "The Los Angeles Animal Rescue Foundation, Inc.", incorporated by former Villaraigosa-appointed Commissioner Maggie Neilson, CEO of Global Philanthropy.

Brenda Barnette claims that the purpose is "...to support the work of the Department much the way the LAPD Foundation, the LAFD Foundation, the Library Foundation and others support the work of City Departments."

However, other city-department "supporting foundations" clearly mention in their name the agency for which they are soliciting funds.

So why wasn't "The Los Angeles Animal Rescue Foundation" incorporated as "Los Angeles Animal Services Foundation" or "Friends of Los Angeles Animal Services?" Both are available according to the CA Secretary of State.

Ms. Neilson's glib response to the Commission after that question was posed in public comment, was that "they" can change the name later. She didn't explain why a compatible name was not used at the outset.

Whether it is a lack of experience or perhaps being advised not to create any roadblocks for Brenda Barnette, none of the three attorneys on the Commission asked any probing questions about the blank spaces in the MOU or about a business plan, goals or officers. They were effusive over approving essentially a "blank check."

This was the first meeting after the resignation of Commissioner Jennifer Brent -- a tremendous loss, because she was the only Commissioner with actual animal sheltering and nonprofit management experience.

Another obvious incongruence clouds the transparency of this proposed financial-support agreement:

The MOU states:

"... the specific purpose of the Foundation is to raise funds to support the mission of the Department...;"

The Articles of Incorporation for the Los Angeles Animal Rescue Foundation state:

"The specific purpose of the Corporation is to ensure every animal has a home and that no adoptable animals are euthanized in Los Angeles."

But the official mandated Mission Statement of the Department of Animal Services is clear:

"To promote and protect the health, safety and welfare of animals and people."

Deputy City Attorney Dov Lesel reportedly helped develop this MOU. Why would a nonprofit charity be set up with a statement of purpose not closely related to the Mission Statement of the agency for which it purports to raise funds?

There are fundamental legal and functional differences between a public, tax-funded animal control agency, such as L.A. Animal Services -- which is mandated to pick up and impound stray/sick animals, maintain open-entry shelters, and enforce laws to protect animals and people -- and a private, donation-based "rescue," which offers homeless animals for adoption after an owner relinquishes them or fails to claim them from the shelter.

Would donors seeking to support the idealistic goals of "The Los Angeles Rescue Foundation" feel deceived that their money is spent on the public-safety obligations of a city animal-control agency, including humane euthanasia when necessary?

Annual financial statements of "The Los Angeles Animal Rescue Foundation" will be provided *only to Brenda Barnette, the Department's senior accountant, and the Commission*. And, any other financial data or list of officers and/or employees will be provided only to the Department upon request, according to the MOU.

One expert explained, "When a governmental agency, such as L.A. Animal Services, joins with an allied nonprofit to raise funds, they then have an unaccountable partner that is not subject to the scrutiny of CA Public Records Act requests."

L.A. Animal Services is definitely not cash-strapped or lacking in charitable funding. Although General Manager Brenda Barnette frequently claims she is hampered by a lack of funds, donors give generously and leave sizable bequests to support the homeless animals impounded at City shelters.

According to GM Barnette's report on January 26, 2016, there is a current balance of \$2,288,560.00 in the Animal Welfare Trust Fund (AWTF), which is a carefully monitored and controlled charitable fund to assist the Department. (In fact, in late 2014, the balance was so high that Barnette was instructed by the Commission to spend \$500,000.)

The unrestricted current donations, which can be used for any existing program for the welfare of animals except spay/neuter, total \$1,206,992.75.

The Animal Sterilization (Spay/Neuter) Fund shows a cash balance of \$4,684,103.47 (as of 12/31/2015) from donations, grants, pet-adoption deposits, fees, and General Fund subsidy.

In addition, the Department of Animal Services has a tax-funded 2015-16 operating budget of \$43,950,107.

The "Los Angeles Animal Rescue Foundation" is actually Brenda's third (known) attempt to form a nonprofit.

An August 13, 2014, report by Barnette to Mayor Garcetti regarding the creation of an Animal Foundation with former-Commissioner Maggie Neilson, is marked "Note and File."

It identifies that, "*The General Manager is working with former Animal Services Commissioner Maggie Neilson, Partner and CEO of Global Philanthropy, to form "The Foundation," a public nonprofit to help support the work of Animal Services.*"

Then it took a strange turn -- proposing that "Part of The Foundation would use the abandoned South L.A. shelter as a job training location for community members..." Concluding, "Animal Services is working with Chrysalis, a nonprofit organization dedicated to creating a pathway to self-sufficiency for homeless and low-income individuals..."

This is visionary; but, it is hard to grasp the nexus to raising money for an animal shelter.

Former-Commissioner, Terri Marcellaro and GM Brenda Barnette were involved in forming the 2011 nonprofit, called "Friends of Los Angeles Animal Shelters" to solicit funds in the name of L.A. City shelter animals. Donor packages of up to \$50,000 were planned to be offered by the Friends of LA Animal Shelters, according to their documents.

Mr. Barnette was not entirely forthcoming in her report to the Commission about her involvement with this group.

Dov Lesel of the City Attorney's Office and the City Administrative Office denied knowledge of an MOU or contract, in response to my inquiries; however, 187 pages of e-mails and other documents were obtained through CPRA requests.

A visit to the Friends of LA Animal Shelters website on November 14, 2012, showed under "**Donate**":

"Friends of L.A. Animal Shelters is the fundraising arm of the city shelters. If you give directly to the city, there is no guarantee your money will reach the animals. Any money donated to us is guaranteed to go directly to the animals." (Note: This wording was changed soon after my CPRA was received by the City.)

There was not then, and appears still not to be, an MOU or formal agreement with the City, although shelter animals are delivered daily (except Tuesday) to the Friends' L.A. Love and Leashes adoption location at 1011 Wilshire Blvd., Santa Monica by L.A. City employees, using city vehicles, and picked up by 7:00 p.m.

There is no indication donated funds to these groups is given to L.A. Animal Services although they claim they are supporting the shelters. Nor do any of Ms. Barnette's reports on the Animal Welfare Trust Fund mention donations from either group.

Several questions need answers:

- Was an MOU or formal contract ever entered into for this transport and/or adoption activity and to relieve the City of liability while the animals are at this location?
- How many animals are actually being adopted at Loves and Leashes, since the City is investing a substantial amount of employee time and resources?
- Under what authority is City property (animals) transferred to a new owner in an adoption processed in Santa Monica by other than a Los Angeles City employee?

There is much discontent being expressed and questions arising about Ms. Barnette's management performance and treatment of her employees. This is a time for her to either dispel the untruths or improve the issues that are creating discomfort for the Mayor.

There are growing concerns among members of the City Council and the public about strays, animal protection and the condition of animals in the shelters. There is unpardonably slow response to calls for humane investigations of suffering, starving and abused animals.

This is the time for Brenda Barnette to devote her attention to her duties and fulfill her obligations to the animals and residents of Los Angeles. Fundraising should be last on her list.

(Animal activist Phyllis M. Daugherty writes for CityWatch and is a contributing writer to opposingviews.com. She lives in Los Angeles.) Prepped for CityWatch by Linda Abrams.

- See more at: <http://www.citywatchla.com/index.php/the-la-beat/10434-has-la-animal-services-brenda-barnette-crossed-the-line-with-questionable-fundraising-mou#sthash.jsVvuB1X.dpuf>