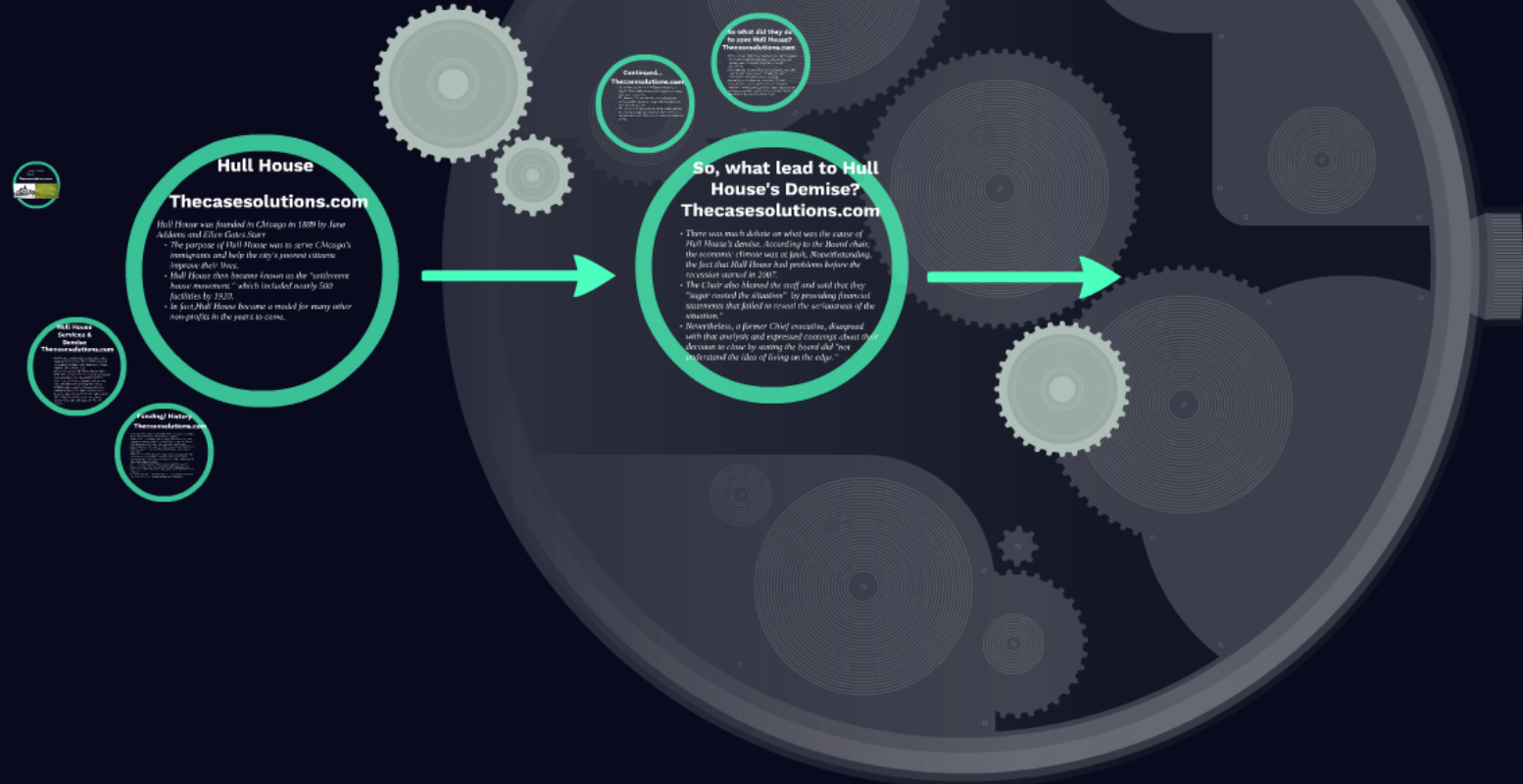


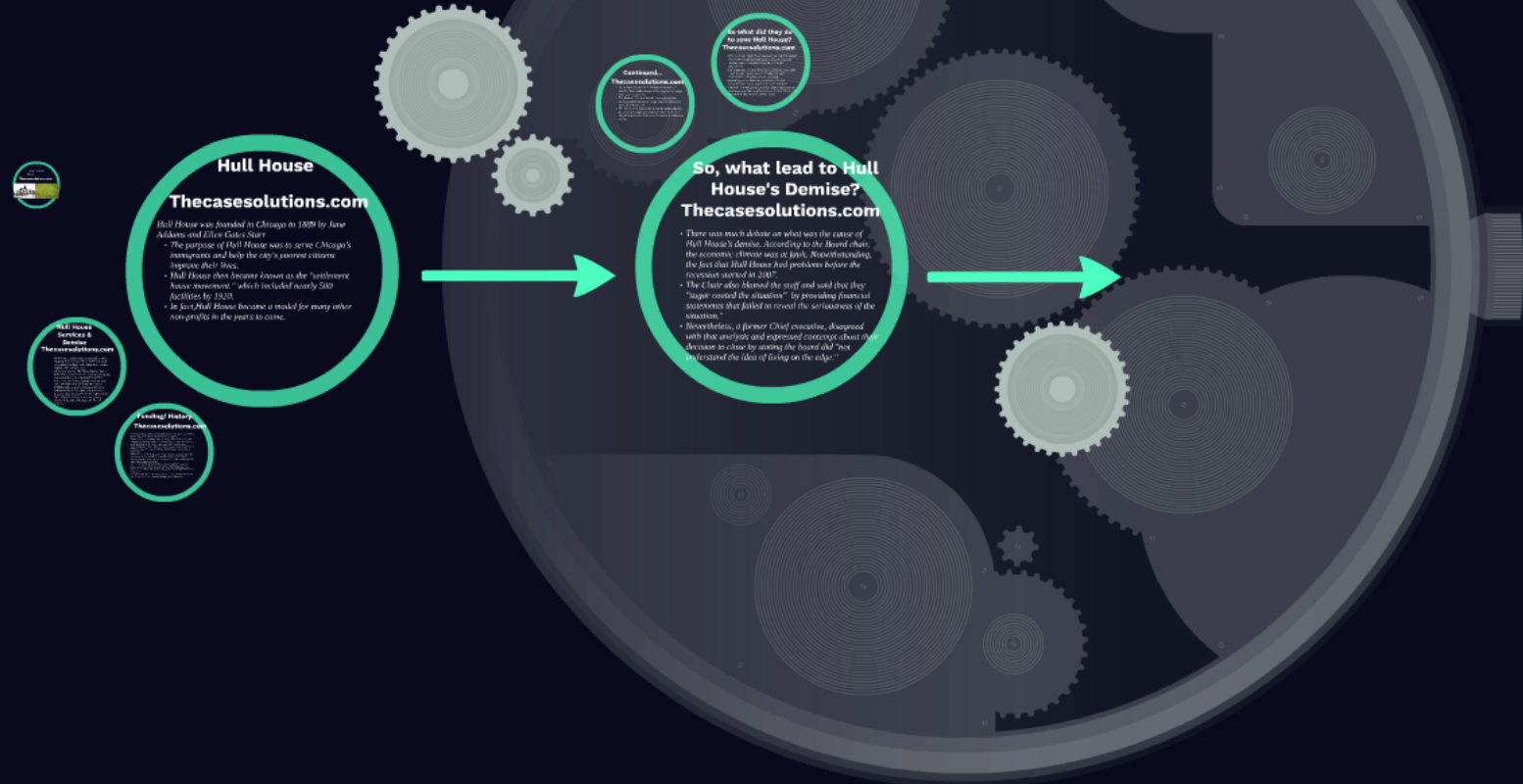
Jan Ryan; CEO (A)

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Hull House

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Hull House was founded in Chicago in 1889 by Jane Addams and Ellen Gates Starr

- The purpose of Hull House was to serve Chicago's immigrants and help the city's poorest citizens improve their lives.*
- Hull House then became known as the "settlement house movement." which included nearly 500 facilities by 1920.*
- In fact, Hull House became a model for many other non-profits in the years to come.*

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Hull House Services & Demise Thecasesolutions.com

- *Hull House provided residential facilities and a range of other social services; including, public recreational facilities, child labor laws, women suffrage, and juvenile courts.*
- *By the 21st century, Hull House had become a federation of neighborhood centers and programs that included job training, homeless service, foster care, child care, domestic violence, and other small business developments serving 60,000 people annually throughout Chicago.*
- *Unfortunately, in 2012 after 120 years it was forced to close and dismiss its 300 staff members and many of its services were taken over by another non profit. (Metropolitan Family Services.)*

Funding/ History

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- *In the beginning of Hull House's establishment, much of the funding that went to support it came from private funds by Addams.*
- *However, after 1960, things began to change when The Great Society Programs of President Lyndon B. Johnson began to expand funding for social programs which mostly went to non-profit organizations.*
- *Subsequently, Hull House began to rely heavily on the government for its funding. In fact, they relied on 85 % of their budget to come from the government.*
- *Sadly; however, with the recession in the economy that happened in the late 2000's, this did not allow for government to keep its support.*
- *As it happens, the demand for services from Hull House increased, while government support decreased.*
- *In fact, Hull House reduced its budget to nearly half the amount it usually would have. Their once, 40 million dollar budget was now reduced to 23 million dollars and many programs that they offered were cut as well.*
- *By the time they filed for bankruptcy in 2012, they reported liabilities of 10 to 50 million dollars against assets of just 1 to 10 million.*

So, what lead to Hull House's Demise?

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- *There was much debate on what was the cause of Hull House's demise. According to the Board chair, the economic climate was at fault. Notwithstanding, the fact that Hull House had problems before the recession started in 2007.*
- *The Chair also blamed the staff and said that they "sugar coated the situation" by providing financial statements that failed to reveal the seriousness of the situation."*
- *Nevertheless, a former Chief executive, disagreed with that analysis and expressed contempt about their decision to close by stating the board did "not understand the idea of living on the edge."*

Continued...

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- *Other have stated that Hull House's demise is a result of their stubbornness and arrogance to merge with other non profits.*
- *The former CEO said that he proposed two non profits for Hull House to merge with and the board rejected both of them.*
- *The board chair responded to this by stating that by the time the merger was explored, Hull House was already too deep in debt to be of interest to other non profits.*

So what did they do to save Hull House? Thecasesolutions.com

- *Efforts to save Hull House of course included increased fund raising, with the intentions to diversifying their funding sources to reduce dependence on the government.*
- *Unfortunately, the Board did not include members who could provide major support or who even had connections with other sources of wealth.*
- *According to Ian Bautista, president of United Neighborhood Centers of America, Hull House's situation is a widespread problem. Many organizations that became reliant on gifts (such as ,United Way) have lost their ability to raise private funds.*

*Images of Hull
House*

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