2008 Case Study

Ronald McDonald House Goes Green
2008 CASE STUDY
The Ronald McDonald House Goes Green

The purpose of the case study is to reconstruct a life-like situation to be examined by a team of American Humanics students using their knowledge, skills and competencies in the nonprofit sector to analyze, synthesize, evaluate and make recommendations to a panel of nonprofit leaders, campus directors and faculty members based upon the content presented in the case.

Directions to Students:

- The 2008 Case Study, The Ronald McDonald House Goes Green is based upon a situation that involved the Ronald McDonald House Charities of Kansas City, MO, however the author has taken creative liberties to change numerous details, names and characteristics of staff and board members, placed emphasis on certain issues more than others and in general developed the case to better serve the competencies emphasized for American Humanics certification.
- The 2008 Case Study will be available upon registration at AHMI and if possible, we suggest that you read through the case before Saturday morning at which time there will be an opportunity to re-read the Case Study prior to working with team members to conduct analysis and prepare the team presentation.
- Following the plenary sessions, students will watch a short DVD based upon the Ronald McDonald House at Longfellow Park in KC, MO and then divide into teams of approximately 10-12 students (preferably with no one from your own institution).
- Your team will play the role of a team of consultants brought in by the Ronald McDonald House Charities Board of Directors and the newly selected Executive Director, Samantha Johnson, to make recommendations pertaining to human resource/staffing issues, decisions regarding location of the House near The Children’s Mercy Hospital, decisions regarding building a sustainable or “green” house and achieve LEED certification, and decisions to build a new House requiring a capital campaign to raise $11 million.
- Teams will have a limited amount of time to review the case study itself, analyze the case, determine the critical issues, and develop a strategy and recommendations.
- Teams will present their findings and recommendations to a panel comprised of nonprofit professionals, campus executive directors, and/or American Humanics alumni.

Knowledge/Skills used in the Case Study Session:

- Interpersonal Dynamics: team approach to decision making and presentations
- Board of Directors; legal and fiscal responsibilities, relationships with staff, one another, role of volunteers, other responsibilities
- Human Resources: basic understanding of typical human resource issues regarding hiring and firing of staff, relationship of volunteers in nonprofit organizations, hiring and firing of volunteers, performance reviews and legal responsibilities.

WE LOOK FORWARD TO SEEING YOU AT AHMI!

*A copy of the case will also be posted on the American Humanics website at www.humanics.org

American Humanics expresses sincere appreciation to United Way of Greater Kansas City for their in-kind contribution of the printing of this document.
The Ronald McDonald House Charities of Kansas City, Missouri

History and Background

Ronald McDonald Houses are known around the world as the “Houses that Love Built” because of the tremendous outpouring of support that makes the growing number of Houses and thirty Care Mobile Programs possible. Twenty-four hours a day, 365 days a year, each House offers parents and family members of seriously ill children a refuge from the hospital with a room of their own with a comfortable bed, kitchen and laundry facilities, and play areas and entertainment for the kids.

The concept of the Ronald McDonald House was first founded in 1974 by the Philadelphia Eagles football team and an unlikely partnership with a restaurant chain and the local community. Originally, the idea was to create a place where parents of sick children could stay close to their children without great expense and be with others who understood their situations and could provide emotional support. Today, the partnership has grown into a network of 264 Ronald McDonald Houses in 50 countries and five continents providing 7,000 rooms per night to families with sick or injured children.

Greater Kansas City Ronald McDonald House Charities

- In 1980, a local group of concerned parents, community volunteers led by members of the Junior League, physicians and McDonald’s owner/operators joined forces to bring the “House that Love Built” to Kansas City. The first Kansas City Ronald McDonald House began with the purchase of a 3-story 1920s colonial home near KU Medical Center and St. Luke’s Hospital. The House was renovated and opened its doors with 11 bedrooms on September 19, 1981. The cornerstone project, costing $1 million, was funded through a local philanthropic partnership and has served thousands of children and families, but there were still many more seriously ill children and families that RMHC were unable to serve because there wasn’t enough room. Therefore,

- In 1987, Ronald McDonald House Charities began building the second Ronald McDonald House at 25th and Cherry Streets to serve the families of children being treated primarily at the Children’s Mercy Hospital. Construction of the 18,000 square foot home took fifteen months. This 19-bedroom House opened on September 19, 1988 exactly seven years after the first Kansas City Ronald McDonald House opened.

Additional needs of children and families, especially in terms of children’s health service needs, were identified in the ensuing years. Some of these needs were addressed through RMHC of Kansas City’s grant making program, which is funded exclusively through the money donated in the McDonald’s restaurant canisters. With a match of Kansas City grant funds from RMHC Global, the commitment to children and their families brings outside dollars to the Greater Kansas City community.

Another need identified was the lack of support for families “camped out” in the waiting areas of the Neonatal and Pediatric Intensive Care Units and the Burn Unit at Children’s Mercy Hospital; families who were unable to utilize the Ronald McDonald Houses either because they were local families considered ineligible to stay at the Ronald McDonald House or because their child was so severely ill that going more than a few steps away felt like miles. These families were unable to leave the hospital for a nap, a meal, or a shower. Thus,
The Ronald McDonald Family Room in The Children’s Mercy Hospital opened in 1997 with seven bedrooms for overnight stays, a large kitchen and gathering room, a small conference room, a sun porch and laundry facilities for families in need of respite from the hospital environment. Kansas City is internationally recognized for developing the Family Room concept and for establishing the first Family Room in the country. Today, there are more than 60 Family Rooms in seven countries that operate in hospitals throughout the country.

The reach of the two Ronald McDonald Houses and/or its Family Room continued to surpass expectations as more than 110,000 families benefited from these three facilities calling them their “Home Away From Home”.

During the first twenty years of its existence, Ronald McDonald House Charities was led by a compassionate member of the local Kansas City community who served as the Executive Director, numerous volunteers, many of whom were members of the Junior League of Kansas City, and a board of directors who cared deeply about providing services for seriously ill children and their families. The Executive Director was in her mid twenties when she and other members of the Junior League took on the project of finding a facility, raising funds to renovate it and opening the very first Ronald McDonald House in 1980. While the Executive Director continued to grow and develop in her role, she was uneasy about continuing in the ED role as the medical community continued to change rapidly, demanding more services and rooms from Ronald McDonald House Charities in the greater Kansas City area. By the late 1990s, it was clear that additional space was needed to better serve the growing needs of seriously ill children and families. Ronald McDonald House Global prepared an estimate that as many as 41 new rooms were needed within the next 5-7 years to meet the medical needs of Kansas City.

Medical demands and facilities in Kansas City continue to develop and serve additional illness and injuries annually

Although the first Ronald McDonald House was established in midtown near the Kansas University Medical Center (KU Med) on State Line Road, it was Kansas City’s Children’s Mercy Hospital that established itself as the key provider of a brighter future for the thousands of sick and injured children throughout the region. Social workers from Children’s Mercy and other area hospitals often referred families of qualified patients to the Ronald McDonald House. In order for families to qualify to use the Ronald McDonald House, patients must be 18 years of age or younger, in the care of a local hospital or doctor and live 35 miles or more from the house on State Line Road or the house at 35th and Cherry Streets.

The Ronald McDonald House staff members prioritize the referrals: First, the referrals are segmented into critical and non-critical lists. Families are placed on the critical list when:

- The family needs to stay at the House for three or more days;
- The child has been diagnosed with cancer;
- The child is being treated in the Neonatal Intensive Care Unit, the Pediatric Intensive Care Unit or the Burn Unit;
- The child has received a transplant; or
- The child has been the victim of trauma.

Once on the critical list, families are then prioritized by the date and time of the referral.
Due to limited space, the majority of families who are eligible for consideration are those with children on the critical list. In 2002 for example, 3,660 families were referred to the Kansas City Ronald McDonald Houses. Only 1,555, or less than half of the families on the critical list, could be provided with a place to stay. Additional referrals continue to increase annually with more than a 30% increase since 2001.

Given the long waiting list of families, the RMHC Board members, and doctors and staff members at Children’s Mercy Hospital and with assistance from RMHC Global, conducted a careful analysis determining that at least 19 new rooms and 12 long-term rooms/suites were needed immediately. Projected growth in services and staff at Children’s Mercy Hospital indicated that another 10 rooms would be needed within the next two years bringing the total rooms needed in Kansas City to 41.

Patient admissions to Children’s Mercy in 2002 increased 6.1% over 2001 with more than 11,400 admissions, while outpatient visits to Children’s Mercy topped 225,000. More than 40% of Children’s Mercy Hospital’s inpatient capacity was devoted to critical care in the Neonatal Intensive Care Unit, the Pediatric Intensive Care Unity and the Burn Unit versus the traditional 9% found in other area hospitals. It was becoming clear that Children’s Mercy was the hospital of choice for parents with seriously ill children.

From 1997 until 2002, the number of cardiovascular surgeries performed had nearly doubled with more than 450 in 2000 and visits to the surgery clinic, including neurosurgery, general, plastic, burn and dermatology have increased by 33% since 1996. The average daily inpatient census has grown from 120 in 1997 to 150 with spikes to more than 200 on any given day. The pressure from Children’s Mercy Hospital continued to be felt at the three local Ronald McDonald House facilities (House at State Line, House at 25th and Cherry Streets, and the Ronald McDonald Family Rooms (7) at Children’s Mercy Hospital). The RMHC Executive Director and members of the Board of Directors could no longer ignore the growing demand for RMHC support services.

New Leadership at RMHC – Samantha Johnson Becomes ED in 2001

Once the Executive Director made the decision to retire, she announced to the Board of Directors and staff that she would leave her position at RMHC as soon as a new Executive Director could be hired. Faced with a critical leadership vacancy, Jon Pepin, then president of the Ronald McDonald House Charities, appointed a search committee including Mary Dingle, M.D. and Vice President for Programs of the Board (KU Medical Center), Billie Holmes, a Director on the Board (McDonald’s Corporation), Cynthia Smith, another Director on the Board, Pediatric Education & Child Life Coordinator (KU Medical Center), Harry Billingsworth, M.D., Director on the Board and Chief Surgeon of Injury Prevention (The Children’s Mercy Hospital), and Pat Borck, Director, early member of the Board and wife of Bob Borck, President, Nextel Corporation.

The subcommittee met once to determine what qualifications they wanted in a new director and then announced the Executive Director position in the Kansas City Star and through KCPhilnet, an online job bank run by the local Council on Philanthropy in Greater Kansas City. As is typical in hiring a new executive director many applications poured in but one stood out above the rest. Samantha Johnson had served as the Development Director of the Kansas City Free Health Clinic, where she had successfully run a capital campaign that raised $2.6 million to renovate the current facility at 35th and Broadway. After several interviews with a variety of members of the

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RMHC Board of Directors, Samantha was offered and accepted the Executive Directorship, joining Ronald McDonald House in February 2001. It was only a few weeks into her tenure that she was told about the need analysis completed by RMHC Global and she and the Board made another important decision, to work with members of the Children’s Mercy Hospital to conduct their own internal analysis of medical and support needs for the Greater Kansas City area. The members of the RMHC Board and along with new ED, Samantha Johnson seriously began to consider launching a capital campaign to raise sufficient monies to build a House that would meet the demands from The Children’s Mercy Hospital and best serve Greater Kansas City medical needs of seriously ill children. Although Samantha was taken off guard by the news that the facilities were inadequate to meet the needs of the community as nothing had been mentioned during the interview process, she met with Jon Pepin, President of the Board of Directors to discuss his vision for the capital campaign. Since the RMHC had never undertaken such a massive fundraising campaign, Samantha suggested they consider hiring an outside campaign consultant – a colleague she knew from Chicago. Although Patricia Murphy had never consulted for the Ronald McDonald House Charities, she was a veteran in working with other major nonprofit organizations and had consulted on large campaigns thus Jon agreed with Samantha’s suggestion and Patricia Murphy made her first of many trips to Kansas City in spring 2001.

Upon reading the 2000-2001 Annual Report given her by members of the search committee and all of the available information on the Ronald McDonald House website, Samantha realized that there were many components of the Ronald McDonald House Charities that she was not familiar with nor did she know the staff members well since she had only met them in one group meeting during the interview process. Therefore in order to became more familiar with RMHC, staff members, demands of the daily operations at the houses, Samantha made the strategic decision to visit individually with each staff member privately and to ask each of them to describe the organization in his/her own words, to describe his/her role in the organization, suggest what changes they thought should be made to improve the organization, and where they saw the organization within the next 3-5 years.

The process proved fruitful as Samantha soon learned which of the staff was truly committed to the mission of the Ronald McDonald House, who remained loyal to the former ED, who recognized the fact that they were turning away far too many families and children in need of housing each month, which of the staff had personal career goals that were not consistent with the mission of RMHC and which staff members were not as likely to adapt to Samantha’s inclusive, energetic and forthright leadership style.

Samantha Johnson’s Analysis of Ronald McDonald House Staff Members in 2001

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<tr>
<th>Name and Title</th>
<th>Background</th>
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<tr>
<td>Samantha Johnson, Executive Director</td>
<td>Samantha completed her bachelor’s degree in communication and later completed her masters in public administration with an emphasis in nonprofit management at the Bloch School at UMKC. Prior to accepting the ED position at RMHC she served in a variety of events management positions before serving as the Director of Development at the Kansas City Free Health Clinic where she led a capital campaign that raised $2.6 million to renovate</td>
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the building at 35th and Broadway. As ED of RMHC Samantha is responsible for overall organizational performance, the annual budget, strategic planning, operational policy, and board and staff development. Additionally, as needs became clearer, Samantha would provide leadership for developing the case statement for the capital campaign and would oversee the design of the new Ronald McDonald House at Longfellow Park.

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<th>Name</th>
<th>Position</th>
<th>Full-time</th>
<th>Details</th>
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<tr>
<td>Sheron Smith, Development Director</td>
<td>Full – time</td>
<td></td>
<td>Sheron served at RMHC in a variety of development related positions since 1995 and had been appointed Director of Development in 2000. Sheron worked on the successful campaign to raise $1.1 million to fund the Ronald McDonald Family Room in Children’s Mercy Hospital. Sheron acknowledged that she remained loyal to the former Executive Director. She voiced grave concerns about the Board’s desire to start a capital campaign: she believed that it would be far better to add on to the existing Ronald McDonald House at 25th and Cherry. Such a move would not cost as much and Sheron did not believe the timing was right to initiate a huge capital campaign given the recent events in New York City, Washington and PA with the attacks by radical terrorists.</td>
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<tr>
<td>Katie Dowd, House Program Director</td>
<td>Full-time</td>
<td></td>
<td>Katie has worked for RMHC for more than seven years. Her work entails managing all guest services and staffing at the Houses, overseeing all operational and maintenance projects, and serving as the liaison to all referral sources. She started with RMHC immediately upon graduating from UMKC in sociology and has grown into a successful team player. She is very excited about the possibility of building a new House as she recognizes it will provide her with additional responsibilities.</td>
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<td>Susan Jones, Family Room Manager</td>
<td>Full-time</td>
<td></td>
<td>Like Katie, Susan joined RMHC immediately upon graduating from college (Kansas State University) with her major in family and consumer services. Her job includes Guest and Family Room management and serving as the hospital liaison. Susan was a loyal supporter of the former ED, but is open to Samantha’s leadership. While she has some reservations about a large capital campaign, she is very aware of the need for additional rooms for in her role as hospital liaison, she is often faced</td>
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with reporting to the local hospitals that they have no room for additional families whose children are very ill therefore, she signed on early to support the capital campaign.

| Deone Jackson, Volunteer Program Manager | Deone, a member of the group of volunteers that in 1980 first planted the seeds to bring a Ronald McDonald House to greater Kansas City, was a childhood friend of the former RMHC Executive Director. Her job includes recruiting, training, and recognizing agency volunteers. Deone regularly attends Junior League meetings to recruit volunteers and informed Samantha that she saw no reason to work with the Johnson County Volunteer Center if the new Ronald McDonald House were to be constructed in Longfellow Park. She emphasized that people who choose to live in Johnson County were not interested in coming into midtown or the downtown neighborhoods surrounding Longfellow Park. |
| Deone Jackson, Volunteer Program Manager Part-time |  |

| Cyndy Green, Administrative Director | Cyndy, also a friend of the former ED, is responsible for all office management, all accounting and HR processes, and technical support. Cyndy shared her frustration with the ED’s inability to recognize how processes had changed with new technologies needed to manage the fiscal accounting systems and the HR processes for RMHC. Cyndy recently completed her executive MBA through UMKC; is knowledgeable about necessary updates needed in the fiscal and accounting systems for the Charities. She is excited by Samantha’s leadership and expressed so when she met individually with Samantha. |
| Cyndy Green, Administrative Director Part-time |  |

| Gayle Hudson, Jon Allen, House Managers | Gayle and Jon served RMHC as part-time employees while they were enrolled at UMKC. Gayle was studying social work and Jon was studying public administration. House Managers are responsible for guest and house management and implementing family services. Samantha determined that both were just ‘doing time’ until they graduated and could take positions in their chosen career fields. |
| Gayle Hudson, Jon Allen, House Managers Part-time |  |

| Sean O’Reilly, Development Coordinator | Sean’s role includes donor management, newsletter and publications, and supporting all fundraising efforts. Sean had taken several courses through the Midwest Center on Philanthropy at UMKC and is actively seeking a full time position in development, fundraising or grant writing. She appeared eager to support American Humanics expresses sincere appreciation to United Way of Greater Kansas City for their in-kind contribution of the printing of this document. |
| Sean O’Reilly, Development Coordinator Part-time |  |
Samantha’s leadership, but clearly indicated she expected to move into a full time position – perhaps taking over for Sheron Smith as Development Director, who she emphasized did not provide visionary leadership in the development area. Sean expressed frustration with the lack of an effect donor database – attributing this fact to Sheron and Sally’s lack of knowledge about technology and especially Sheron’s inability to solicit ideas or suggestions from her staff.

| Jennifer Williams, Events Manager | Like Stephanie, Jennifer also anticipated moving into a full time position in development in the near future. She was completing her MPA at UMKC with an emphasis in nonprofit management and had several leads on full time positions through her faculty mentors. Her role at RMHC is to coordinate all special events (e.g., golf tournament) and support all fund-raising efforts. |
| Jennifer Williams, Events Manager | **Part-time** |

| Stan Lyman, Community Relations | Stan is the newest member of the staff, having joined RMHC 6 months ago after relocating from another RMHC in Austin, TX. Stan has a bachelor’s degree in public relations and is passionate about the mission of Ronald McDonald House Charities. His long-term career goal includes completing a master’s degree in nonprofit leadership and one day serving as an Executive Director of his own RMHC. Because of working at the RMHC in Austin, he is more knowledgeable than other staff about the RMHC Global Advisory Council that is working on new Design and Construction Guidelines for Ronald McDonald Houses. The Council has worked with Chipman Adams Architects and McDonald’s Worldwide Architecture. Stan informs Samantha about the discussion on environmentally friendly construction and management techniques that reduce energy and water usage, improve indoor air quality, reduce waste and minimize negative impact on the environment. |
| Stan Lyman, Community Relations | **Part-time** |

| Angela Romeo, Kim Pedersen Assistant Managers | Angela and Kim both assist with guest and family room management. Each woman shared her frustration with Samantha about only working part-time, but Angela indicated privately that she has already begun a job search for a full-time position elsewhere. |
| Angela Romeo, Kim Pedersen Assistant Managers | **Part-time** |

| Rosalia Sanchez, Housekeeper | Rosalia, born in El Salvador, is an outstanding |
| Rosalia Sanchez, Housekeeper | **Part-time** |
Full-time support staff worker. She arrives early each morning and never leaves until the house is clean and organized for the “guests”. Although she has no children of her own, she has a niece whose birth defects required that she and her parents make use of RMHC Care Mobile, thus she has a personal passion about working at RMHC in Kansas City.

Volunteers RMHC of Greater Kansas maintained a database of more than 550 volunteers however given the lack of sophisticated technology at RMHC, many volunteers were never contacted when needed. Instead an ‘in-group’ of volunteers developed over time and Dianne had her cell phone programmed to call her favorites and close friends. These volunteers often served to entertain family members while parents were in the hospital during lengthy surgeries or when their ill children were undergoing chemo or radiation therapies. Volunteers assisted in preparing the dinner meals all seven days of the week and often provided additional resources that the budget may not cover. Many of the volunteers had served at RMHC since the early days when the first house opened on State Line. Samantha was concerned that so few of the total in the volunteer database were actually providing service to RMHC.

RMHC Board of Directors in 2001:

The RHMC By-Laws calls for at least three (3) and not more than thirty (30) members on the Board of Directors. At the time Samantha Jones was hired (February 2001) there were twenty-four BOD members, although only about ten of these twenty-four were active (as evaluated by their attendance at monthly BOD meetings).

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<td>Jon Pepin, President</td>
<td>Jon has been an active member of the BOD since the early 1990s. He is the Senior Vice President for Finances for First National Bank and brings his solid financial understandings to all BOD decisions, and was very impressed that Samantha Johnson accepted the position with RMHC for he was quite aware of the Board’s planning to expand. He was well aware that Sheron Smith had made several enemies on the BOD and would not likely have their support, nor had she demonstrated the</td>
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<td>Name</td>
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<td>Mary Dingle, MD, Vice President Programs</td>
<td>Executive Committee</td>
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<td>David Engle, Vice President Development</td>
<td>Executive Committee</td>
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<tr>
<td>Sherrie Ford, Secretary/Treasurer</td>
<td>Executive Committee</td>
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<td>Billie Holmes, Director</td>
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<td>William Smith, Director</td>
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have a range of learning problems or attention deficit disorders. Dr. Smith also sees patients for the management of psychological issues (e.g., pain management, medical compliance, and adjustment problems) associated with other medical illnesses such as Cystic Fibrosis and renal disease. He has remained an active member of the BOD since joining it in 1985, thus he was instrumental in RMHC building the Cherry Street House. His opinion is valued highly by other members of the Board.

June Clark, Director  
Pediatric Education & Child Life Coordinator, KU Med  
June enjoys working with at KU Med and is a strong proponent of the Ronald McDonald Houses in Greater KC. She supports developing a new house, even if it is located near The Children’s Mercy Hospital as she is quite aware that they serve far more children than her department at KU Med. June is a fair and open-minded member of the Board.

Lisa Fairborn, Director  
Lisa is a principal in the consulting firm of Fairborn & Associates. One of her major clients is Hallmark Cards, which proves helpful when the Board of Directors decide that the best location for the new Ronald McDonald House is on the site of the Longfellow Park.

Ginny Peters, Director  
Ginny is Director of Government Relations at the Children’s Mercy Hospital and she becomes an instrumental player as the Board of Directors make the decision to reach out to the Kansas City Board of Parks and Recreation and the Parks Commissioners to secure a long-term lease agreement to build on a portion of Longfellow Park.

Pat Borck, Director  
Pat is a highly involved Community Volunteer, wife of Bob Borck, President of Nextel Corporation. Pat and Bob give generously to the Ronald McDonald House Charities and become involved as instrumental leaders in the capital campaign.

Early in the history of the RMHC Board of Directors, members were selected for their ability to contribute financially to the development of the capital campaign undertaken to purchase and renovate the first Ronald McDonald House on State Line Road. During the next twenty years, it became evident that differing skills would be needed if RMHC of Greater Kansas City were to be successful. Under the leadership of new Executive Director Samantha Jones, the Board of Directors became a working board and is now divided into several key committees including: Program Services, which consists of Family Service and Facilities Operations; Administration,
which consists of Finance and Board Development; and Fund Development, which consists of Special Events, PR and Marketing and Financial Analysis (return on investment of each revenue stream). Each committee sets annual goals and the Executive Committee operates as a liaison for the committees with the staff.

Additionally, Samantha recognized that the Board members rarely followed their own policy on term limits which clearly stated that the term of office of a Director shall be for three (3) years or until a successor is elected and installed. No Director shall be eligible to serve more than two (2) consecutive terms. During her analysis of the organization and upon spending individual time with each staff members and Director on the BOD, Samantha realized that some Directors had served more than ten, fifteen and nearly twenty years on the RMHC Board of Directors. She clearly would need to determine a way to discuss this situation with the Executive Committee, and do so sooner rather than later as several members of the staff had expressed knowledge of the preferential treatment given some members of the BOD for remaining on the Board more than the By-Laws called for.

According to a Donor Edge statement, “Ronald McDonald House Charities is a financially sound organization. One that is fortunate to have a significant endowment in place, one that actively manages its investments to provide for current and future programming needs, and one that has its eyes solidly on the long-term viability to fulfill its primary mission. There is a perception that McDonald’s Restaurants heavily fund the local charity, which is incorrect. McDonald's funds only about 15% of total revenue though they are the organization's largest single donor for operations and we are grateful for their long-term support. The biggest challenges we have facing us as an organization are successfully engaging in a capital campaign, and increasing our annual support from philanthropic minded individuals, organizations and companies to meet our increased expenses once we build a new house. I believe the organization provides much-needed and unparalleled support services to families who need temporary lodging while their child/children receive medical care in Kansas City. Our community is better for having RMHC as a grounded presence.”

Issues to be addressed by teams of American Humanics students and solutions to be presented as part of team presentations

- **Personnel/Human Resources/Staffing issues**

The analysis conducted by RMHC of Kansas City and The Children’s Mercy Hospital confirms the initial one completed by RMHC Global that referrals from Children’s Mercy Hospital alone have increased 30% since 2001. In order to meet these growing health care and serious medical needs of children and families, it appears certain that RMHC of Kansas City needs to undertake a capital campaign to raise millions of dollars to build a 41 bedroom Ronald McDonald House in close proximity to Children’s Mercy Hospital (located on the edge of Hospital Hiss at 25th and Gillham Road). Based also upon the work of the RMHC Global Advisory Council which has been working on new Design and Construction Guidelines for Ronald McDonald Houses, the design for the new house will most likely need to be “green”. Samantha is impressed with Stan Lyman’s (Community Relations Director) knowledge about environmentally friendly construction and requests that he do some research on architecture firms and construction firms in Kansas City that are using “sustainable design” techniques should the Board want to move forward with a new building. Furthermore, it appears that Samantha needs to rethink the RMHC staffing pattern for only five of the total staff are on full time contracts, including Ann herself, as
well there are several vacant positions. Samantha wondered if part of the reason so many families were turned away had to do with the fact that the House Managers were only working part time. She also noticed that other than Sheron Smith, Development Director, all other development related staff were working part time and receiving no benefits. She thought that if these positions and the House Managers could be moved to full time contracts with benefits, morale might improve and even more importantly, the space they currently had would be more available for the numerous referrals. Before she could initiate changes in the staff patterns however, Samantha found herself facing an even more critical personnel issue with her Development Director Sheron Smith.

When hired as new executive director in February 2001, Samantha recommended hiring a capital campaign consultant from Chicago, named Patricia Murphy, a longtime colleague and personal friend. Approved by the Board President, Jon Pepin, Patricia arrived in Kansas City in May 2001 and almost immediately conflict ensued between Patricia Murphy and Sheron Smith, the longtime Development Director. Sheron believed she was not consulted before the contract with Patricia was signed and furthermore as she had told Samantha and members of the Board of Directors previously she does not believe it is possible to raise millions of dollars from the Kansas City philanthropic community, especially given the recent terrorists attacks on the US. Sheron is in favor of adding a small addition to the 25th and Cherry Street House for now. She suggests that if that new space fills up and RMHC still finds itself turning away families, perhaps they should petition RMHC Global for assistance to raise additional funds.

In addition to Sheron’s refusal to support the capital campaign, Samantha has unearthed further concerns about Sheron’s leadership abilities based upon conservations with the development staff including Sean, Jennifer and Stan. Samantha discovered that although Sean has submitted several proposals to upgrade the database management system for donors, Sheron has not passed these proposals on to Samantha. Instead Sheron has been telling each of her staff different reasons why the proposals have not been approved. Sheron appears most threatened by Stan who recently joined RMHC of Kansas City from Austin, Texas due to his knowledge about the RMHC Global Advisory Council that has been working on new Design and Construction Guidelines for Ronald McDonald Houses. If what Alan says is true, Sheron worried that it was not likely that RMHC Global would approve a remodel or small addition to the existing Cherry Street House. Instead Sheron fears RMHC Global will likely want RMHC Kansas City to undertake environmentally responsible and sustainable design in a totally new building.

During her meeting with Deone Jackson, Volunteer Program Manager, Samantha was amazed to learn that there were nearly 550 names on the roster of volunteers. She expressed complete surprise to Deone as during her initial months on the job as ED, she noticed the same 6-7 men and women at the Cherry Street house as well as another group of about 12-15 women at the State Line Road House. When asked about this pattern, Dianne acknowledged that she was unable to work the database system correctly and therefore did not know how to reach out to the many names on the roster of volunteers and instead simply called some of her sorority sisters and members of her Junior League group when volunteers were needed.

During her analysis of the organization and upon spending individual time with each staff members and Director on the BOD, Samantha realized that some Directors had served more than ten, fifteen and nearly twenty years on the RMHC Board of Directors. She clearly would need to determine a way to discuss this situation with the Executive Committee, and do so sooner rather than later as several members of the staff had expressed knowledge of the preferential treatment given some members of the BOD for remaining on the Board more than the By-Laws called for. All of these problems continue to build while RMHC of Kansas City is forced to turn away
families and seriously ill children – the very heart of the Ronald McDonald House mission (see appendix).

- Understanding the case for additional housing space and answering the questions: should the space be “Green” and of sustainable design?

As indicated earlier, the facts had been assembled first by RMHC Global demonstrating the significant number of seriously ill children and families were being turned away from one of the three Ronald McDonald House facilities in Greater Kansas City. As Samantha and her staff and Jon and other members of the RMHC Board of Directors met to discuss the challenging decision of creating additional housing space, and based upon Stan’s research on local architectural firms who understood sustainability, they fortuitously called upon the principals at BNIM, whose founding principal, Edward Berkley, has been promoting sustainability for more than 25 years.

Berkley’s passion is integrating sustainability to ensure responsible design. The firm has made sustainability a way of life for their clients and for themselves. Members of BNIM do not see it as an additional element of their design, or as an afterthought; it is simply the way they design. Working with BNIM, it soon became clear to Ann and members of the RMHC Design Team that all of the architects, especially Berkley and Tom Eigen, who worked most closely with Samantha and the Design Team, along with Cindy Lamont, the Construction Manager representing McCownGordon, were indeed passionate about making responsible decisions for the good of their clients, the environment and the future users of the spaces they would create.

In several meetings with Tom and Cindy, Samantha became more and more clear that her own passion for creating a healthy environment for those seriously ill children and families needing a room at RMHC of Greater Kansas City, needed to be in a sustainable or “green” building. Tom, others from BNIM, and Cindy and the crew from McCownGordon set up educational sessions with power point slides, videos of numerous projects from around the country and eventually Samantha and most of the RMHC staff members and several members of the Board signed on to build “green”.

Tom and his colleagues from BNIM worked with Cindy from McCownGordon to identify the very best site for the new building which was immediately across the street from the Cherry Street House at 25th and Gilliam or the Longfellow Park area. The park was in disarray and had not been kept in useable condition by the Kansas City Parks and Recreation Department. In fact, once Samantha joined the Longfellow Neighborhood Association she quickly learned that often drug dealers used the park for their “buys”. An important issue Samantha and members of the Design Team realized was how to convince members of the Longfellow Neighborhood that it would be in their best interest for the new Ronald McDonald House to be built on a portion of the Longfellow Park. What case could they build to gain the support of the Longfellow Neighborhood Association?

Next on the list of “owners” who needed to be convinced were senior leaders in the Real Estate Division of Hallmark Cards. They had an old warehouse building next to the park, and since the building had not been in use for more than 25 years, it had fallen into disrepair. Given the design developed by architects at BNIM it was clear that RMHC needed Hallmark to ‘donate’ the old warehouse for a much needed parking lot. Obviously, families and visitors to the RMHC would need parking, but if the house was to be built using sustainable technology, a geothermal heat

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Tom Eigen reminded Samantha and the Design Team that such a system would save them money on monthly utility bills, as well as save space and noise level of a standard HVAC system. The consultant, Patricia Murphy and her team of associates, would need to prepare a statement that would convince the Vice President of Real Estate for Hallmark to commit the old warehouse to the project and hopefully, as a donation.

Finally, if the new Ronald McDonald House was to be built on a portion of Longfellow Park, the Kansas City Board of Parks and Recreation and the Parks Commissioners would need to pass a resolution providing RMHC with a long-term lease agreement allowing RMHC to build on less than half of the 1.65-acre Longfellow Park. A proposal would need to be developed stating the case to the KC Board of Parks and Recreation and requesting the lease agreement with options to renew for additional terms and at a rather cost efficient price.

In order to develop the necessary proposals for the Longfellow Neighborhood Association, the Real Estate Division of Hallmark Cards and the Kansas City Board of Parks and Recreation, the Design Team requested that BNIM develop a description of the proposed House and use of Longfellow Park.

Tom Eigen and his architectural team from BNIM submitted the following proposal:

The new 41 bedrooms Ronald McDonald House in Longfellow Park would feature a healing garden, walking path, and be located close to Children’s Mercy Hospital. The BNIM design would allow for state of the art amenities for families and would incorporate many environmental and efficient design concepts. Such a design approach would bring together the functional and aesthetic qualities of the environment into balance with the social, economic and environmental aspects of the larger Kansas City community and the world.

Plans would call for integrating the local architecture and landscape into a restorative design that benefited the children and families who were to call it “home”.

In practical terms the House would be designed to:

- Significantly increase the number of oxygen-producing plants and trees on the site; there would be three times as many trees and plants in the Park when the project would be completed;
- Use plants that naturally clean runoff before it enters the City’s storm water system;
- Provide an all-electric environment with a ground-source heat pump for heating and cooling the House; it was anticipated that the ultra-efficient design component would provide huge cost-savings to RMHC within a few short years;
- Utilize fresh air to improve indoor air quality and natural breezes to cool the building and selecting where practicable, building materials and products that were environmentally benign; and
- Use foliage and shading devices such as roof overhangs to protect the building and guest from harsh UV-Light.

From the moment families first walk into the new Ronald McDonald House they would feel the warm welcome and home like atmosphere. The first floor of the House will have many public or communal living areas including a friendly and welcoming reception and check-in area, a large family room for reading or watch television, a large kitchen and main dining area that will be flexible to meet the variety of families served.
Use of state of the art technology resources is a growing way for families to remain connected with family, friends and communities that support them, to manage their home and personal lives while they are away, an increasingly efficient way for parents to research information on their child’s diagnosis and treatment options. Therefore, a designated area with four computer carols for families to access the Internet and e-mail services throughout the day and night is planned for the first floor.

The combined analysis by RMHC of Kansas City and Children’s Mercy Hospital estimates that the new House will allow RMHC of KC to serve an additional 2,500 families each year. The second and third floors of the new Ronald McDonald House, reachable by elevator, will feature 29 regular bedrooms and 12 long-term suites to address the needs of families whose children require long-term care.

In order to ensure flexibility of the space, each guest bedroom will have a private bathroom and accommodate up to 6 people, enabling families to remain together during the most difficult times of their child’s illness. Not only will the House serve more children but also those with delicate needs such as transplant patients and those with other immune-suppression issues would be served if the House included the separate guest suites. The 12 guest suites will be equipped with small kitchenettes, separate living and sleeping areas, and a private bathroom. Each guest living floor features a laundry facility, access to cleaning supplies and linens and a locked medical storage room.

The basement area will have a large common-use area with special accommodations and amenities for guests of all ages including teenagers and toddlers. There will be game areas, quiet reading areas, a fitness room, a crafts room to encourage art as therapy and access directly into the healing garden in the center area of the House. The remaining part of the basement will be dedicated into much needed storage space for contributions of food and other House related items that are received from volunteers and the community.

Since the Ronald McDonald House program is NOT a United Way agency nor does it receive government funding, ninety-six percent of the RMHC Kansas City’s revenues come from general donations, special events and fundraisers, and the locally owned and operated McDonald’s restaurants. Nominal room fees generate only 4% of RMHC Kansas City’s annual revenues.

To raise the monies needed to build the proposed Longfellow Park Ronald McDonald House, McDonald’s owner/operators pledged $1 million to the Hope is Building Campaign and additional funds to the ongoing operations of the RMHC. The Ronald McDonald House Charities Board of Directors committed an additional $1 million from its investment reserves to the new facility’s construction. But RMHC Kansas City must also rely on the generosity of other corporations, foundations and individuals. Because one hundred percent of donations made to the Hope is Building Campaign will remain in Kansas City and be restricted to the Ronald McDonald House Program Samantha and the Design Team hope that Kansas City’s philanthropic community will step forward with an additional $9 million to build the Longfellow Ronald McDonald House as described and planned by BNIM and McCownGordon.
Issues to be addressed by Patricia Murphy and her team of consultants (as played by American Humanics students):

1.) How should Samantha address the issues regarding Sheron Smith, Development Director? Are her skills sufficient to take on a major capital campaign to build a new Ronald McDonald House? How could Samantha determine her strengths for such a large capital campaign? What tools does Samantha need to make the assessment?

2.) Once she realized that some Directors had served more than ten, fifteen and nearly twenty years on the RMHC Board of Directors, Samantha understood that she clearly would need to determine a way to discuss this situation with the Executive Committee. Should she approach the Executive Committee before the building project, thus bringing on to the Board, members who were more likely to support the capital campaign and building the new House? If she approached the Executive Committee, what recommendations did she have for them?

3.) How should Samantha address the fact that five of the staff were only working part time, were not receiving benefits and quite possibly the fact that they were working part time contributed to RMHC’s inability to serve the growing medical demands from The Children’s Mercy Hospital?

4.) How should Samantha address the three vacancies? Should these positions be filled now? What contingency plan could be developed in the meantime?

5.) While the design and description of the proposed House were stunning, there were several on the Ronald McDonald House Charities Board of Directors who still questioned the viability of Samantha and the staff to raise an additional $9 million for the new House. How should the Board of Directors and staff’s ability to be successful in a $9 million capital campaign be assessed?

6.) What should be done with the State Line House whose occupancy was less than 15% on average per week? Since most of the current volunteers are from Johnson County, Kansas and the State Line House was nearest to Johnson County, would volunteers refuse to serve if the new House were built in the Longfellow Park or midtown area of Kansas City, MO? Would losing volunteers hurt the ability to raise money for the capital campaign? What would the impact be on the Board of Directors?

7.) How could the Longfellow residents be convinced to support the building of the new Ronald McDonald House on a portion of Longfellow Park? What case needs to be made?

8.) What strategy could be employed to convince the Real Estate Division of Hallmark Cards that they should “donate” or sell at a reasonable price the old warehouse to the Ronald McDonald House Charities of Kansas City?

9.) What strategy should be followed to convince the Kansas City Board of Parks and Recreation that Longfellow Park would become a more useable space if a new Ronald McDonald House could be built on a portion of the site?

10.) If the project is undertaken at Longfellow Park, should the new Ronald McDonald House meet the LEED Certification Standards? BNIM estimated that it would like cost a
total of $100,000-$150,000 to achieve certification.

11.) Could any components of the design be eliminated to reduce the total proposed cost of $11 million? If so, should it be the basement storage space, the special long-term suites, the rain water catch system that was to be used for toilet flushing or other ‘green’ features of the House?

12.) If the decision is made to go forward with the capital campaign, does the Board of Directors and Ronald McDonald House staff and Executive Director need to develop contingency plans at this time? What would the plans include?

As the directions indicated, once each member of the team has a chance to read the case study, it will be necessary for teams to begin the analysis of the case and proceed to plan a strategy for the presentations that are scheduled from 2:00 – 3:00 pm on Saturday, January 5, 2008. Good luck!
Our Vision….Ronald McDonald House Charities Kansas City

“To lift the hearts of kids and families from the hurt of today to the hope of tomorrow.”

Our Mission….Ronald McDonald House Charities Kansas City

To reduce the burden of childhood illness on children and families by…

• Creating a caring and uplifting environment.

• Providing comfortable lodging convenient to a health facility.

• Investing in affiliated programs that comfort and assist children with health concerns and their families.

• Undertaking resource and fund development activities that support our facilities, programs, and services.
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Ronald McDonald House Charities, Kansas City

Board of Directors
President
2 Vice Presidents, 1 Secretary/Treasurer
18 Total Board Members

Executive Director
Staff

Vice President
Programs
Ensures effective delivery of RMHC mission: evaluates services, reviews policies and helps create future vision.

Family Services & Operations
monitors House and Family Room use, volunteer programs, identifies and explores new areas of family & community need, reviews policies and promotes enhanced services

Grants
identifies opportunities for RMHC grant funding, researches proposals and establishes rapport with partner agencies; administers McDonald’s referral grants

Secretary/Treasurer
Administration
Oversees all aspects of RMHC administration and planning.

Finance
oversees investment & endowment management, reviews accounting and budgeting practices, oversees annual audit and tax return preparation

Board Development
evaluates board performance, by-laws review, plans board education and annual board retreat, nominates officers and new directors

Executive:
Executive Director Performance Review, risk management, employee benefits, administrative issues, monitors strategic and long range plans

Vice President
Development
Sets overall development plans for RMHC and ensures effective leadership for fund-raising efforts.

Board Development:
McDonald’s related Fundraising; Newspaper sales Canisters; Planned Giving; Annual fund; and Miscellaneous Fund-Raising Projects

Golf Classic & Auction
annual event since 1980, June
Sunday evening Auction & party
Monday tournament

Plaza Pzazz
annual event since 1997, October
Sunday evening street party on Ward Parkway restaurants donate food, bars, live music, dancing

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NEWLY AMENDED AND RESTATED BYLAWS
OF
RONALD MCDONALD HOUSE CHARITIES OF THE HEART OF AMERICA, INC.

Article I. Offices

Section 1. Registered Office and Agent. The location of the registered office and name of the registered agent of the Corporation in the State of Missouri shall be such as shall be determined from time to time by the Board of Directors and on file in the appropriate office of the state of Missouri pursuant to applicable provisions of law.

Section 2. Corporate Offices. The Corporation may have such corporate offices anywhere within and without the State of Missouri as the Board of Directors from time to time may appoint or the business of the Corporation may require.

Article II. Members

The Corporation shall not have members, but shall have only a self-perpetuating Board of Directors.

Article III. Board of Directors

Section 1. General Powers. The affairs of the Corporation shall be managed by its Board of Directors. The Board of Directors shall have and is vested with all the unlimited powers and authorities, except as may be expressly limited by law, the Articles of Incorporation, or these Bylaws, to do or cause to be done any and all lawful things for and in behalf of the Corporation, to exercise or cause to be exercised any or all its powers, privileges and franchises, and to seek the effectuation of its objects and purposes.

Section 2. Number and Term. The number of Directors shall be at least three (3) and shall not exceed thirty (30) and such number may be increased or decreased from time to time by amendment of these Bylaws. A Director need not be a resident of the State of Missouri. The term of office of a Director shall be for three (3) years, or until a successor is elected and installed. No Director shall be eligible to serve more than two (2) consecutive terms. Directors shall be elected at the Annual Meeting. A Director's term shall commence at the next regular meeting after the Annual Meeting. No less than two (2) Directors shall be McDonald's owners/operators or from McDonald's Corporation.

Section 3. Resignations, Removal and Vacancies. A Director may resign at any time by giving written notice to the Secretary or the President of the Corporation. Such resignation shall be effective immediately upon proper delivery or as otherwise stated in the notice. Acceptance of the resignation shall not be necessary to make it effective. A Director may be removed with or without cause, including for two (2) or more absences from meetings of the Board in any calendar year without justifiable excuse, by the affirmative vote of at least two-thirds of the directors then in office. Any vacancy occurring in the Board of Directors, or any Director to be elected by reason of an increase in the number of Directors, shall be elected by vote of a majority of a quorum of the remaining Directors.

Section 4. Meetings. An Annual Meeting of the Board of Directors will be held in November in each year at a time and location as determined by the President and as specified in the Notice of Annual Meeting. The purpose of the Annual Meeting will be for the election of Directors, election of Officers, and for the transaction of such other business as may come before the meeting. Special Meetings of the Directors
may be called at any time by the President, or in his/her absence, the Vice Presidents, or by any five (5) Directors.

Section 5. Notice. Notice of the Annual or any Regular or Special Meeting of the Board of Directors shall state the time, date, and place thereof and shall be given at least five (5) days previous thereto by written notice delivered personally or sent by mail, hand delivery, overnight courier, e-mail, or facsimile to each director at their address or other contact information as shown by the records of the Corporation. Written notice in proper form shall be effective on the earliest of the following: when received; when deposit with the U.S. Postal Service with postage prepaid; on the first business day following the date of dispatch if sent by overnight courier service. The attendance of a Director at any meeting shall constitute waiver of notice of such meeting unless the Director, upon arriving at the meeting or prior to the vote on a matter not properly noticed, objects to the lack of notice and does not vote for or assent to the action to which he or she objects by reason of such lack of notice. Except as provided in Article VIII or elsewhere in these Bylaws, neither the business to be transacted nor the purpose of any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 6. Actions. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. If a quorum is present, the vote of the majority of the voting power represented at the meeting shall be the act of the Board of Directors, unless the vote of a greater number is required by law, the Articles of Incorporation or by these Bylaws.

Section 7. Committees. The Directors may create an Executive Committee and any other committee of the Directors, and may delegate to any such committee any authority of the Directors, however conferred. Each Board committee shall consist of at least two (2) Directors. The membership of each committee shall be subject to Board approval. Committee members shall be Directors if and only if the committee exercises authority delegated from and on behalf of the Board. To the extent not exercising such authority, non-Directors may also serve on committees.

a. Executive Committee. The Executive Committee shall be composed of the elected officers of the Corporation. The Executive Committee shall act by the majority vote of its members. The Executive Committee shall act for and on behalf of the Board of Directors within the scope of the authority conferred upon it by the Board of Directors when the Board is not in session but shall be accountable to the Board for its actions. The Executive Committee shall meet monthly or as necessary to meet business requirements at a time and place as determined by the President.

b. Nominating Committee. The Nominating Committee shall be appointed by the Executive Committee. The Executive Committee shall also designate the Nominating Committee chair. The President of the Board of Directors may not serve on the Nominating Committee. The Nominating Committee shall present to the Board of Directors at or prior to a special meeting of the Board in October a slate of candidates to serve as Directors and a slate of candidates to serve as Officers. Nominations shall be in writing and may be made from the floor. No member of the Nominating Committee may be nominated to serve as an Officer.

c. Other Committees. The President may propose for Board creation and approval of any number of standing or special committees to assist with the business of the Corporation. The President shall appoint the committee chairs, who shall be Directors, and the committee members, who need not be exclusively Directors except to the extent exercising the authority of the Board as expressly delegated by the Board.
Section 8. Presiding Official. Every meeting of the Board of Directors shall be convened and presided over by the President or such Vice President as the President directs to perform his/her duties in his/her absence; provided, however, that the Board of Directors at any meeting by a majority vote, and notwithstanding anything to the contrary elsewhere in these Bylaws, may select any persons of their choosing to act as President and Secretary of such meeting or any session thereof.

Section 9. Action Without a Meeting. Any action required by law or permitted by law to be taken at a meeting of the Board of Directors, the Executive Committee, or any other committee established by the Board of Directors as permitted by these Bylaws, may be taken without a meeting if consents in writing, setting forth the action so taken, are signed by all the Directors or committee members entitled to vote with respect to the subject matter thereof. For purposes of this Section, e-mail responses clearly identifying the sender satisfy the “signed” and “in writing” requirements. Such consents shall have the same force and effect as a unanimous vote of the Directors or committee members at a meeting duly held, and the Secretary shall file such consents with the minutes of the meetings of the Directors or committee members.

Article IV. Officers

Section 1. Officers. The Officers of the Corporation shall be a President, one or more Vice Presidents, a Secretary, a Treasurer, and such other officers as may be appointed or elected by the Board of Directors. Two (2) or more offices may be held by the same person except the offices of President and Secretary.

Section 2. Election and Term of Office. The Officers of the Corporation shall be elected by the Board of Directors at the Annual Meeting of the Board of Directors for a term of one (1) year or until their successors are elected and installed. In no event may the President serve more than two (2) consecutive terms in that office. The Nominating Committee shall present a slate of nominations and nominations may be made from the floor. The term of office shall begin on January 1. Vacancies may be filled or new offices created and filled at any meeting by the Board of Directors. An officer elected or appointed by the Board of Directors may be removed as an officer at any time by the affirmative vote of the majority of the whole Board of Directors. Any person who has held any office for more than six (6) months shall be deemed to have held such office.

Section 3. President. The President shall preside at all meetings of the Board of Directors and Executive Committee and shall hold and possess such other powers and authority as are provided for in these Bylaws or as the Board may delegate from time to time. The President shall provide leadership to the Corporation and its Executive Director, subject, however, to the control of the Board. The President shall be responsible for guiding the strategic direction and policy development for the Corporation. The President shall be a member ex officio of all committees and shall be entitled to notice of committee meetings and to attend and vote at such meetings. The President shall be under no obligation to attend and shall not be counted to determine the number necessary to make a quorum or to determine whether a quorum is present, except with respect to those committees upon which he or she serves as a standing member.

Section 4. Vice President(s). The Vice President(s) shall, in the absence or disability of the President, perform the duties of that office. They shall, in addition, perform such other duties as may be directed by the President.

Section 5. Treasurer. The Treasurer will have supervision and custody of and be responsible for all funds and securities of the Corporation, including ensuring that the Corporation properly receives and gives receipts for monies due and payable to the Corporation from any source and deposits all such monies in the name of the Corporation in such banks, trust companies or other depositories as selected according to the provisions of Article V of these Bylaws. The Treasurer shall cause to be maintained records of all

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receipts, disbursements, assets, and liabilities of the organization and report to the Board on the condition of such records and financial condition of the organization at regular Board meetings. The Treasurer will perform all the duties incident to the office of the Treasurer and such other duties as from time to time may be assigned to the Treasurer by the President or the Board of Directors.

Section 6. Secretary. The Secretary shall keep the minutes of the meetings of the Board of Directors and the Executive Committee in books provided for that purpose. The Secretary shall be the custodian of the records of the Corporation, and, in general, he/she shall perform all duties incident to the office of Secretary.

Article V. Finances

Section 1. Funds. All non-restricted funds received shall be placed in a general operating fund. All funds received restricted for special non-operating projects shall be placed in a restricted fund.

Section 2. Disbursements. Upon approval of the budget, the Treasurer is authorized to make or order disbursements on accounts and expenses provided for in the budget without approval of the Board of Directors. Disbursement shall be by check. The Board shall periodically establish and regularly review expenditure limits and authorizations to ensure the smooth and effective operation of the Corporation’s business while maintaining appropriate financial safeguards and internal controls.

Section 3. Fiscal Year. The Corporation shall operate on a calendar year.

Section 4. Budget. The Executive Director employed by the Corporation shall compile a budget of estimated revenues and expenses for the coming fiscal year and submit it to the Board of Directors for approval at the Annual Meeting.

Section 5. Annual Audit. The accounts of the Corporation shall be audited annually as of the close of business on December 31 of each year by a certified public accountant.

Article VI. Indemnification

Section 1. The Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action, suit, claim or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the Corporation, by reason of the fact that such person is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise, from and against expenses (including reasonable attorneys fees), damages, judgments, penalties, interest, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit, claim or proceeding, if such person acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the Corporation; and with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a pleas of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful.
Section 2. The Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, claim, proceeding, or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that such person is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including reasonable attorneys fees), judgments, fines, penalties, interest, and settlements actually and reasonably incurred by such person in connection with or arising from the defense, judgment, or settlement of such action, claim, proceeding or suit if such person acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

Section 3. To the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, claim, suit or proceeding referred to in (1) and (2) above, or in defense of any claim, issue or matter therein, such director, officer, employee or agent shall be indemnified against expenses actually and reasonably incurred by such person in connection therewith, including reasonable attorney fees.

Section 4. Any indemnification under (1) and (2) above, unless ordered by a court, shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because such director, officer, employee or agent has met the applicable standard of conduct set forth in Sections (1) and (2) above. Such determination shall be made

a. By the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding; or

b. If such a quorum is not available, or even if obtainable and a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.

Section 5. Expenses incurred by a director or officer in defending a civil or criminal action, claim, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the director or officer to repay such amount if it is ultimately determined that the director, officer, or employee is not entitled to be indemnified by the Corporation as provided for in this Article. Such expenses incurred by other employees and agents may be so paid upon such terms and conditions, if any, as the Board of Directors deems appropriate.

Section 6. The indemnification and advancement of expenses provided by, or granted pursuant to, the other subsections of this section shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any bylaw, agreement, vote of shareholders or disinterested Directors or otherwise, both as to action in a person's official capacity and as an action in another capacity while holding such office.

Section 7. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another Corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the

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Corporation would have the power to indemnify such person against such liability under the provisions of this Article.

Section 8. The indemnification and advancement of expenses provided by or granted pursuant to this Article shall, unless otherwise provided, continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors, and administrators of such person.

Section 9. Definitions: For the purposes of this Article, in addition to their normal and ordinary usage, the following definitions shall apply:

a. "Corporation" shall include Ronald McDonald House Charities Of The Heart Of America, Inc. and any constituent Corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent Corporation, or is or was serving at the request of such constituent Corporation as a director, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under this section with respect to the resulting or surviving Corporation as such person would have with respect to such constituent Corporation if its separate existence had continued;

b. "Other enterprises" shall include limited liability companies, partnerships, joint ventures, corporations, limited partnerships, and employee benefit plans;

c. "Fines" shall include any order, assessment or judgment issued by a judicial, administrative or legislative body with proper jurisdiction over the matter, including, excise taxes assessed on a person with respect to any employee benefit plan;

d. "Serving at the request of the Corporation" shall include any service as a director, officer, employee, or agent of the Corporation which imposes duties on, or involves services by, such director, officer, employee or agent with respect to limited liability companies, partnerships, joint ventures, corporations, limited partnerships, and employee benefit plans, its participants or beneficiaries;

e. A person shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" if the person acted in good faith and in a manner such person reasonably believed to be in the interest of the Corporation or, if applicable, participants and beneficiaries of an employee benefit plan.
Article VII. Charitable Nature of Corporation

The purposes of this Corporation are strictly charitable and no disbursement of the funds or assets of the Corporation shall be made at any time for any purpose other than those recognized by Federal law or State law as being proper for public charities.

Article VIII. Amendments to Bylaws

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the Board of Directors of this Corporation, provided that any such new or amended Bylaws shall not be inconsistent with the Articles of Incorporation, by a vote of at least two-thirds of the full Board of Directors at any regular or special meeting of the Board of Directors, provided that the proposed amendments and changes have been read at the previous meeting and notice for the meeting includes the proposed amendments.

Article IX. Parliamentary Authority

The current edition of Robert's Rules of Order shall be the final source of authority in all questions of parliamentary procedure when the rules are not inconsistent with the Articles of Incorporation, these Bylaws or special Rules of Order and Standing Rules adopted by the Board of Directors.

Certificate

The undersigned, the duly authorized and elected Secretary of the Corporation, certifies that the foregoing Bylaws were duly adopted at a meeting of the Board of Directors of the Corporation, properly noticed and held on _________________, 2003.

Dated: _____________________  ______________________________________

Brad Stasiulis, Secretary

Adopted: Feb. 28, 1980
Nov. 18, 1987  Nov. 29, 1990  Sept. 21, 1995
ELEMENTS OF GREEN BUILDING & SUSTAINABLE DESIGN INCLUDE:

- Enhanced indoor environmental quality by minimizing indoor pollutants and allowing daylight to naturally enter the space;

- Recycled construction debris through diligent construction waste management;

- Optimize energy performance such as high-efficiency heating, ventilation and air conditioning systems; materials with high insulating values; timers on thermostats and room occupancy sensors;

- Energy-efficient lighting such as natural light from windows and skylights, low-energy bulbs and sensors on lights in public areas;

- Renewable energy sources, such as solar and wind power;

- Water use refection techniques such as native landscaping that reduces need for irrigation, use of wastewater to irrigate, low-flow bathroom; fixtures

- Energy-efficient materials and products such as EPA Energy Star labeled appliances

- Use of healthy materials and local renewable resources such as wood products from sustainable managed forests

- Indoor air quality management plan, including carbon monoxide systems; daylight views, low-emitting plains, sealants, carpets and woods; air circulation control including separate air handlers for each room and pressurized air to reduce circulation of contaminated air.


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FREQUENTLY ASKED QUESTIONS

LEED® for New Construction

What is LEED?
LEED is a green building rating system that was developed by the U.S. Green Building Council in 2000. LEED is a tool for buildings of all types and size. LEED certification offers third party validation of a project’s green features and verifies that the building is operating exactly the way it was designed to.

What is LEED for New Construction?
The LEED for New Construction Rating System is designed to guide and distinguish high-performance commercial and institutional projects, including office buildings, multi-unit residential buildings, manufacturing plants and laboratories.

How does LEED work?
LEED is a point based system where projects earn LEED points for satisfying specific green building criteria. Within each of the six LEED credit categories, projects must satisfy particular prerequisites and earn points. The six categories include Sustainable Sites, Water Efficiency, Energy & Atmosphere, Materials & Resources, Indoor Environmental Quality and Innovation in Design (projects can earn ID points for green building innovations). The number of points the project earns determines the level of LEED Certification the project receives. LEED certification is available in four progressive levels: Certified, Silver, Gold and Platinum.

Is LEED training available?
Yes, USGBC offers a variety of LEED training workshops and online educational webinars including a basic introduction, technical reviews, and advanced application oriented sessions. Workshops are available nationally in conjunction with local chapters, at industry tradeshows, and at Greenbuild. Private workshops can also be scheduled for your company.

Can products be certified under LEED?
No, LEED applies to green building projects. Individual products can contribute to points under the rating system; LEED criteria are performance-based. In attempting to meet these requirements, LEED practitioners identify products that have desired attributes. However, some LEED criteria do require specific product data as a part of a successful submittal.
How much does it cost to register a project?
The registration fee for a project is $450 for USGBC members and $600 for nonmembers.

What is the average LEED certification fee?
LEED certification fees vary by project size but the average certification cost is $2000.
LEED for New Construction

What is a LEED Accredited Professional™ and how do I become one?
LEED Accredited Professionals are experienced building industry practitioners who have demonstrated their knowledge of integrated design and their capacity to facilitate the LEED certification process. To become an Accredited Professional you must take the exam. The exam tests an individual’s understanding of green building practices and principles, and familiarity with LEED requirements, resources, and processes. For more information: www.gbci.org.

Does green building cost more?
No, green buildings do not have to cost a penny more. LEED certified projects to date demonstrate that you can achieve LEED certification and reap its many benefits with a common-sense approach to design with no additional dollars. Depending on your green building strategy and the level of certification your project is targeting, there may be mid- and long-term ROI associated with additional green features that merits an investment in first costs.

What are the benefits of LEED certification?
LEED certification is third-party validation of a building’s performance. LEED certified projects blend environmental, economic, and occupant-oriented performance. They cost less to operate and maintain; are energy- and water-efficient; have higher lease up rates than conventional buildings in their markets; are healthier and safer for occupants; and are a physical demonstration of the values of the organizations that own and occupy them. For more information: www.usgbc.org.