

Quarterly Meeting of the Board of Directors  
Ronald McDonald House Charities of Greater Washington, D.C., Inc.  
Monday, November 13, 2017  
DC Ronald McDonald House

Minutes

Present: Atangan, Chatman, Cole, Gaines, Everett, Ferrick, Green, B. Johnson, Jones, Marschall, Parra, Pillai, Pilson, Rowen, Schneider, Schwartz, Shaw, Swenson, Torres  
Present by Telephone: Giaimo, Hodson, Kline, Wagner, Moyer  
Excused/Waived: Grumiaux  
Absent: K. Johnson, Nelson, Norris  
Staff: Davis, Judson, Lowe, Meyer, Mooney

**Welcome and Call to Order**

Chair Chris Chatman called the meeting to order at 11:02 A.M. Chatman then asked the Board members to introduce themselves.

Karen Torres recognized the Board members rolling off and thanked them for their service. Torres then presented the members with appreciation gifts.

**Approval of Minutes from September 18, 2017**

Patricia Ferrick made the motion to accept the meeting minutes from the September 18, 2017, meeting. The motion was seconded by Scott Marschall, and the motion carried.

**Report from the Chair**

Chatman thanked the Board for their participation in the Board Orientation & Retreat. It was a fruitful event that gave new members the opportunity to learn about the charity and work with existing members. Chatman reviewed the three types of board governance: fiduciary, strategic, and generative - and expressed the desire to strive to be a generative board.

He also informed the members that the Executive Committee had voted to change the organizational leader's title from Executive Director to President and CEO. The decision reflects a changing landscape within the nonprofit sector and the RMHC Global system, and more accurately represents the role at RMHCDC.

**Programs & Operations Committee Report**

Mike Rowen reported on the DC and VA Family Rooms. The second Family Room at Inova Children's Hospital is on target to open in Q1, 2018.

We are working with CNMC to recruit and train more volunteers to ensure we are fully compliant with Global licensing requirements in the Family Room. Children's National values our presence and will extend our licensing agreement as provided in our contract.

Rowen informed the Board that the ribbon cutting ceremony for the new FITNESS Care Mobile has been delayed until summer 2018 due to scheduling conflicts. The KIDS Care Mobile and both RM Houses are running smoothly.

Rowen re-opened discussion around the potential expansion of the VA House. Rowen explained that Inova Children's Hospital has seen approximately 16% increase in growth. This has caused an increase in

the VA House waitlist, with 50% of the families waitlisted not being served. Inova currently has plans to continue expansion and growth, including implementing a patient flight program and opening an adolescent psychiatry wing. Rowen reviewed the various Board checkpoints in the process of data collection, cost options, etc. should the Board vote to move forward. It is likely a capital campaign will need to be conducted to cover the initial construction costs, however there would be a minimal increase to House operations going forward. An approximate 6% increase to the VA House operations budget per year is expected. Most of the cost of exploration will be staff time.

Torres stated she has no concerns about the expansion with the current infrastructure, and feels it is probably overdue, since the VA House is undersized at 8 rooms.

Erin Hodson commented that the decision to modify the eligibility standards for families has had a positive effect, however, the issue of occupancy has not yet been solved and more rooms are needed. Hodson clarified that Inova saw a growth of 20% last year and 15% year-to-date.

Torres explained that RMHC Global inputs the data collected by the chapters into an algorithm to determine maximum growth capacity; the Board can choose to expand by any number of rooms within the set capacity. Should the Board move forward with expansion, a taskforce committee would likely be created.

Jason Everett aired his concern that RMHC Global, rather than the local Board, would determine the size of the House expansion, particularly if it was larger than the Board was comfortable undertaking. Also, the Board Expansion Checklist provided is compiled under the assumption that the Board is moving forward with the expansion, and the Board may not fully understand what decisions are being made. Everett also expressed his concern that, once discovery for the expansion is underway, Board members will feel obligated to continue the process.

Torres commented that the charity should always strive to grow its programs to fulfill its mission and meet needs regardless of whether the expansion is made in the Houses or in another capacity.

Rowen added that it makes the most sense, from a program and operations standpoint, to expand the VA House. This would fulfill the need to expand the mission and spend down operating reserves in a manner that the Family Rooms and Care Mobiles cannot.

David Schneider pointed out that the Board Expansion Checklist is over simplified and that there will be many more stopping points beyond what is included, such as hospital and county approvals.

Samira Cook Gaines questioned if the needs assessment includes collecting data from the community to identify other potential areas of need, as well as Inova. Torres responded stating that close to 98% of families served in the VA House are from Inova, however, a community assessment report is included in the overall paperwork used to evaluate need.

Isaac Green expressed to the Board that when they make their decision and vote, they are essentially deciding to move forward with the expansion. Green commented that the need exists, so members should vote to move forward, recognizing that they are making a commitment to see this through if possible.

Later, at the end of the Board meeting, the Board held an executive session to discuss the potential expansion further; after which, the Board voted to proceed with the needs assessment process for potential RM House expansion. Harry Pilson abstained.

### **Report from the Treasurer**

Patricia Ferrick reviewed RMHCDC's third quarter financials. She noted that the current financials are strong, with \$13M in the portfolio, \$11M of which is unrestricted, and net assets of \$22M. Year-to-Date revenue is under budget by \$7,000 and operating expenses are ahead. Ferrick added net assets are negative due to timing issues.

The annual budget for 2018 will be presented at the February Board of Directors meeting.

Torres added that generally 30% of donations are received in November and December. Also, corporate and foundation grant donation requests have been approved but funds have not yet been received.

The Board discussed the variance in budget vs actual for revenue accounts year-to-date. The main variance being due to accounting changes mandated by RMHC Global.

### **Development Committee Report**

Everett reviewed the increase in both external and internal giving trends for 2016. Everett requested members join the Development Committee to fill vacancies left by former Board members. Everett also thanked members for previous and on-going fundraising efforts.

Everett reminded the Board of the Red Shoe 5K being held in May and requested members join the Red Shoe committee. Then he reviewed all other upcoming important dates.

### **Governance Committee Report**

Harry Pilson explained that there needs to be an amendment to the bylaws allowing a Director serving as Chair or Chair-elect to extend their second three-year term if necessary to complete their term as elected officer. Chatman made a motion to approve the election of Julie Jones as Chair, as governed in current bylaws, recognizing that the bylaw amendment would be made by the Governance Committee and voted in at the February Board meeting. The motion was seconded by Mike Rowen, and the motion carried.

Pilson then reviewed the slate of Executive officers to be ratified as follows:

Chairman: Julie Jones

Chair-Elect: Brad Cole

Secretary: Loren Schwartz  
Treasurer: Scott Marschall  
Member-at-Large: Isaac Green

Gaines made a motion to approve the slate of Executive officers as presented by the Governance committee. The motion was seconded by Jason Everett, and the motion carried.

Pilson facilitated the selection of committees by board members. The new committees are as follows:

Audit: L. Atangan, L. Schwartz, C. Chatman, B. Johnson

Finance: S. Marschall, B. Cole, K. Swenson, K. Grumiaux

Governance: L. Schwartz, C. Chatman, D. Schneider, I. Green, A. Shaw

Programs & Operations: M. Rowen, S. Wagner, E. Hodson, S. Marschall, S. Cook Gaines, G. Giaimo, M. Parra

Development: B. Cole, J. Everett, L. Atangan, B. Johnson, M. Pillai, A. Shaw, A. Kline, S. Cooke Gaines, D. Nelson

Care Mobile: C. Chatman, M. Rowen, L. Schwartz, K. Swenson, D. Schneider, M. Pillai

Red Shoe: J. Jones, J. Everett, A. Klein, S. Wagner, I. Green, M. Parra, B. Johnson, G. Giaimo

**The Board held a closed session.**

### **Adjournment**

With no further business, the meeting was adjourned at 1:30 P. M.