

BYLAWS
OF
RONALD MCDONALD HOUSE CHARITIES OF GREATER CHATTANOOGA, INC.

The following constitutes the Bylaws of RONALD MCDONALD HOUSE CHARITIES OF GREATER CHATTANOOGA, INC., a private, not-for-profit corporation, organized under the laws of Tennessee, located at 200 Central Avenue, Chattanooga, Tennessee, 37403.

ARTICLE I

A. The corporation is organized and shall be operated exclusively for charitable, scientific and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1954, or any corresponding provision of any subsequent Federal tax laws (hereinafter the Code).

B. The corporation is formed for the purposes of providing families the care and resources they need when their child is sick, to support programs that address the health and well-being of children and the doing of such other things as may be necessary or advisable directly or indirectly to effectuate the foregoing purposes.

No activity shall be carried on by the corporation that is not consistent with the purposes set forth herein. No part of the net earnings of the corporation shall inure to the benefit of any incorporator, director, trustee or officer of the corporation, or of any private individual (except that reasonable compensation may be paid for services rendered to or for the corporation affecting one or more of its purposes). No activity of the corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, or participating in, or intervening in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office, except to the extent an organization is permitted to do so under Section 501(h) of the Internal Revenue Code of 1954, as amended, without jeopardizing the tax-exempt status of such organization under Section 501(a) of such Code.

Notwithstanding any other provisions of these Articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section 501(a) described in Section 501(c)(3) of the Internal Revenue Code of 1954, or the corresponding provisions of any subsequent Federal tax laws, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954, or the corresponding provisions of any subsequent Federal laws.

D. In general, the corporation may carry on any business not contrary to the laws of the

Adopted December 5, 2019

State of Tennessee, and it shall have and exercise all powers conferred by the laws of Tennessee upon corporations formed thereunder; it may do any and all things herein set forth to the same extent as natural persons could do and do such things as principal or agent or in association with others; and it may do any and all things necessary, suitable, convenient, incidental, or proper for the accomplishment of all the purposes, objects, powers and business of the corporation.

The foregoing provisions of this Article I shall be construed as stated powers as well as objects, and the numeration of specific objects and powers shall not be construed to limit or restrict in any manner the meaning of general terms, objects and powers, nor shall the expression of one thing be deemed to exclude another, although it be of like nature not expressed.

ARTICLE II

BOARD OF DIRECTORS

Section 1. Classes of Directors.

The corporation shall have three (3) classes of Directors. The designation of each such class and the qualifications of the Directors of each such class are as follows:

A. TERM DIRECTORS: Persons shall be eligible for Term Directors who are interested in the welfare of sick children and their families and who subscribe to the purposes of this corporation. Upon being approved by an affirmative vote of a majority of the Directors, such person shall be elected as a Term Director for a period or term of three (3) years. Term Directors shall actively pursue the purposes of the corporation and shall be entitled to vote on all matters submitted to a vote of the Directors by an affirmative vote of a majority of the Board of Directors.

In order to assure that the mission of the corporation will be met, all Term Directors shall abide by the following requirements and/or qualifications:

- 1) A demonstrated interest in the corporation's mission and goals;
- 2) Specific experience and/or knowledge in at least one of the following areas: administration, finance, personnel/volunteers, program development, evaluation, public relations, legal, or communications;
- 3) Available time to attend at least 70% of the meetings and to actively serve on at least one operational committee and actively support the organization's fund-raising efforts;
- 4) Willingness to assume leadership roles;
- 5) Willingness to make a significant annual personal financial donation to the corporation with a minimum monthly donation equal to or greater than the cost of providing Ronald McDonald House services to one family for one night;
- 6) Attendance at functions in addition to Board meetings; and

- 7) Consider naming RMHC of Greater Chattanooga in a bequest, charitable trust, life insurance or IRA.

B. LIFETIME DIRECTORS: Persons who support the aims and ideals of the corporation shall be eligible for membership as Lifetime Directors provided they are qualified individuals as identified below.

The qualified individuals eligible to be Lifetime Directors include the following:

1. Founding members of Ronald McDonald House Charities of Greater Chattanooga or its predecessors who have continued significant service to the organization; or
2. Past Presidents or Chairpersons of Ronald McDonald House Charities of Greater Chattanooga and its predecessors; or
3. Individuals making a longstanding and continuing significant contribution to the mission of Ronald McDonald House Charities of Greater Chattanooga and its predecessors.

Upon consenting to accept a Lifetime Directorship and it being approved by an affirmative vote of the majority of the Board of Directors, such person shall be elected as a Lifetime Director. Lifetime Directors shall be entitled to vote on all matters upon which Term Directors are entitled to vote, provided that they are not “Inactive.” Active Lifetime Directors shall be included in determining whether a quorum is present.

Active Lifetime Directors are required to abide by the requirements and/or qualifications applicable to Term Directors.

C. EX-OFFICIO DIRECTORS: The President and Chief Executive Officer shall serve as an *ex-officio*, nonvoting member of the Board of Directors. The Board of Directors may from time to time appoint other individuals to serve on the Board of Directors in an *ex-officio*, nonvoting capacity. For example, the Board might consider inviting the chair(s) of support organizations such as the Red Shoe Society to participate in an *ex-officio* capacity. Such *ex-officio*, nonvoting members shall be entitled to attend and participate in all meetings and deliberations of the Board of Directors but shall not be entitled to any vote or included in determining whether a quorum is present.

Section 2. Resignation of Directors.

Any Director, whether Term Director or Lifetime Director, may resign by filing a written resignation with the Chairperson of the Board or with the Secretary.

Section 3. Leave of Absence.

A Term Director may request from the Board a leave of absence from his or her duties and responsibilities to the Board for any period up to one (1) year for reasons deemed appropriate and approved by the Board. Any Director requesting a leave of absence shall make such request in writing delivered to the Chairperson of the Board or Chairperson of the Board Oversight and Recruitment Sub-Committee, stating his or her reason(s) for such request. Any such request shall be acted upon by the Board at the next regularly scheduled meeting of the Board immediately following the receipt of such request and shall be granted or denied in whole or in part by majority vote of the Board at any regularly scheduled meeting at which a quorum of the Board is present. A one (1) year leave of absence may extend the Director's term by a comparable amount of time.

Section 4. Active and Inactive Status

A Term or Lifetime Director who cannot fulfill the full requirements of board membership may be deemed Inactive either by his or her request or the recommendation of the Board Oversight and Recruitment Sub-Committee. Inactive members forfeit their voting rights and do not count in determining the presence of a quorum. An Inactive Term Director may be removed from the board by a majority vote of the Board of Directors. An Inactive Term or Lifetime Director may request to return to active status by providing a written request to the Chairperson of the Board Oversight and Recruitment Sub-Committee. The Board Oversight and Recruitment Sub-Committee shall make recommendation to the Board of Directors to award or deny reinstatement of Inactive Directors. Any Director who is not Inactive shall be defined as an Active Director.

ARTICLE III

ROBERT'S RULES OF ORDER

All business meetings of the corporation shall be conducted according to Robert's Rules of Order, unless otherwise amended or suspended herein.

ARTICLE IV

MEETINGS OF DIRECTORS

Section 1. Annual Meeting.

An annual meeting of Directors shall be held in June of each year or at such other time as declared by the Board with proper notification to the directors for the purpose of transacting such business as may come before the meeting.

Section 2. Special Meeting.

Special meetings of the Board of Directors may be called by the Chairperson of the Board of Directors, or not less than one-fifth (1/5) of the Term Directors.

Section 3. Place of Meeting.

The Board of Directors may designate any place as the place of meeting for any annual meeting or for any special meeting called. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the Ronald McDonald House, 200 Central Avenue, Chattanooga, Tennessee.

Section 4. Notice of Meetings.

Written notice stating the place, date and hour of any meeting of Directors shall be mailed via electronic mail or United States Mail to each director no less than ten (10) nor more than forty (40) days before the date of such meeting. In case of a special meeting or when required by statutes or by these Bylaws, the purpose for which the meeting is called shall be stated in the notice. The notice of a meeting shall be deemed delivered when deposited in the United States Mail addressed to the Director at his or her address as it appears on the records of the corporation, with postage thereon prepaid, or when the notice is electronically transmitted to any Director at his or her electronic mail address, as such address appears on the records of the corporation.

Section 5. Quorum.

Directors representing one-third (1/3) of the number of Active Term Directors shall constitute a quorum. Lifetime Directors who are not Inactive shall be included in determining whether a quorum is present. If a quorum is not present at any meeting of Directors, a majority of the Directors present may adjourn the meeting at any time without further notice. Withdrawal of Directors from any meeting shall not cause failure of a duly constituted quorum at that meeting.

Section 6. Proxies.

Each Director entitled to vote at a meeting of Directors or to express consent or dissent to corporate action in writing without a meeting may authorize another Director to act for him or her by proxy, but no such proxy shall be voted or acted upon after sixty (60) days. In order to be effective, a proxy must be received by the Secretary, Chairperson or other officer presiding at any meeting at the time of the vote for which the proxy authorizes another Director to act. A facsimile or electronic (e-mail, digitally signed document, etc.) of such authorization shall be as effective as an original signed proxy.

Section 7. Board and Board Committee Action Without a Meeting.

Any action that may be taken at a meeting of the Board, or of a Board committee established pursuant to these Bylaws, may be taken without a meeting if a consent in writing setting forth such action is signed by all of the Term Directors of the Board or all of the committee members, as the case may be, and is filed in the minutes of the proceedings of the Board or the committee. Any action described in this section may be taken by electronic mail or other electronic means.

Section 8. Minutes.

Minutes of each meeting of the Board shall be taken by the Secretary or his or her designee and shall be disseminated to each Director as soon as practicable after the conclusion of the meeting. Posting the Minutes to the Board website shall be considered dissemination to each Board member.

ARTICLE V

BOARD OF DIRECTORS

Section 1. Management.

All powers of the corporation shall be exercised by and under the authority of the Board of Directors, and the property, business and affairs of the corporation shall be managed under the direction of the Board of Directors.

Section 2. Number, Election, Term and Qualifications of Directors.

A. Term Directors shall consist of not fewer than twenty-five (25) nor more than seventy (70) members. The exact number of Term Directors shall be the number fixed from time to time by resolution of the majority of the Board. No decrease in the number of Term Directors shall have the effect of shortening the term of any incumbent Term Director.

B. Membership for Term Directors shall be reserved as follows:

1. At least two (2) of the Directors shall be members of the medical profession.
2. At least two (2) of the Directors shall be appointed by the Chief Executive Officer or the Chairperson of the Hamilton County Hospital Authority to represent Children's Hospital at Erlanger.
3. Any corporate partner may appoint a Director.
4. The remaining Directors shall be community members and/or parents of pediatric patients.

C. Any person twenty-one (21) years or age or older who meets the requirements of Article II, Section 1A or 1B shall be eligible to be selected as a Director. Directors should be selected on the basis of their demonstrated awareness of the purposes and needs of the corporation as they relate to the needs of the corporation's service area or potential service area and shall meet the requirements of Article II, Section 1A or 1B.

D. Term Directors and Lifetime Directors shall be elected by majority vote of the Board of Directors.

E. Each Term Director shall hold office for no more than three (3) years without being re-nominated, and until his or her successor is duly elected and qualified or until his or her earlier resignation, removal from office, or death. Term Directors shall be eligible for consecutive terms, but no Director may serve for more than two (2) consecutive terms. Any Term Director desiring to serve a consecutive term shall nominate himself or herself to the Board Oversight and Recruitment Sub-Committee in writing and shall complete any requested questionnaire or commitment form as requested by the Governance Committee in advance of the Board of Directors taking action to approve any such nomination. Term Directors shall be elected at each annual meeting of the Board of Directors.

F. Officers and those holding appointed seats shall be exempt from term limits while holding office.

G. Lifetime Directors shall hold office for the lifetime of the Director or until his or her earlier resignation or removal from office.

Section 3. Vacancies.

Vacancies occurring with Term Directors, including those by resignation or removal and any vacancy created by an increase in the number of Directors, shall be filled by the Board of Directors. A Term Director elected to fill a vacancy shall be elected to hold office for the remainder of the original Term Director's term.

Section 4. Resignation or Removal and Attendance Requirements.

A. A Director may resign at any time by tendering his or her resignation in writing to the Chairperson of the Board and Chairperson of the Board Oversight and Recruitment Sub-Committee which shall become effective upon receipt by the corporation at its principal place of business.

B. A two-thirds (2/3) majority of the Board of Directors that are present at any meeting at which a quorum is present may remove any Director with or without cause.

C. Term Directors shall be expected to attend and participate in all meetings of the Board of Directors, unless unavoidably prevented from doing so. The Board of Directors, by a two-thirds (2/3) affirmative vote of those Directors present at any meeting at which a quorum is present, may, but shall not be required to, remove any Term Director from office who has failed to attend three (3) consecutive meetings of the Board of Directors or who fails to attend at least seventy percent (70%) of the meetings.

D. Resignation or removal as a Director shall also constitute resignation or removal as an officer of the corporation.

Section 5. Compensation of Directors and Committee Members.

Directors and members of all committees shall receive no compensation, in money or kind, for any services rendered in their capacity as a Director. However, nothing contained herein shall be construed to preclude any Director or committee member from receiving compensation from the corporation for services actually rendered by that individual as a professional or for expenses incurred for serving the corporation in any other capacity as a Director.

ARTICLE VI

OFFICERS

Section 1. Officers.

The officers of the corporation shall consist of the Chairperson, the Vice Chairperson, the Secretary, the Treasurer and such other officers as the Board shall deem advisable, which may include a Chairperson-Elect. Every officer shall be elected by the Board at its annual meeting. Officers other than the Chairperson-Elect shall hold office until their successors are elected and qualified, except in the event of their earlier death, resignation or removal. Unless otherwise specified in these Bylaws, officers of the corporation are not required to be Board members. Additional offices may be created at any Board meeting and filled by action of the Board at any meeting.

Section 2. Vacancies.

A vacancy in any office because of death, resignation or removal shall be filled by the Board, except that a vacancy in the office of Chairperson-Elect shall be filled only in the discretion of and by majority vote of the Board of Directors.

Section 3. Resignation or Removal of Officers.

An officer of the corporation may resign at any time by tendering his or her resignation in writing to the Chairperson or Vice Chairperson of the Board. The resignation becomes effective immediately upon receipt. An officer may be removed at any time, with or without cause, by a vote of not less than two-thirds (2/3) of the Directors of the Board at any meeting of the Board at which a quorum is present.

Section 4. Chairperson of the Board.

The Chairperson shall preside at all meetings of the Board of Directors. If the Chairperson is not in attendance, the Vice Chairperson, or such other individual as may be designated by a majority of the Board of Directors shall chair such meeting. The Chairperson must be a member of the Board of Directors. No person shall serve as Chairperson for more than two (2) consecutive years except by a vote of not less than two-thirds (2/3) of the Directors of the Board at any meeting of the Board at which a quorum is present. The Chairperson shall:

- a. Preside at all Board meetings and maintain knowledge of the organization and personal commitment to its goals and objectives
- b. Oversee Board Meetings and Executive Committee Meetings
- c. Work in partnership with President and Chief Executive Officer to make sure board resolutions are carried out
- d. Call special Board meeting if necessary
- e. Appoint all committee chairpersons and with the President and Chief Executive Officer recommends who will serve on committees
- f. Assist the President and Chief Executive Officer in preparing agendas for Board meetings
- g. Assist the President and Chief Executive Officer in conducting new Board Member orientation
- h. Oversee searches for a new President and Chief Executive Officer
- i. Coordinate President and Chief Executive Officer's annual performance evaluation
- j. Work with the Board Oversight & Recruiting Sub-Committee to recruit new Board Members
- k. Act as an alternate spokesperson for the organization

1. Periodically consult with Board Members on their roles and helps them assess their performance.

Section 5. Vice Chairperson of the Board.

In the absence of the Chairperson of the Board, or in the event of his or her inability or refusal to act, the Vice Chairperson shall perform the duties of the Chairperson and in so acting shall have all the powers and authority of the Chairperson. The Vice Chairperson shall perform such other duties as from time to time shall be assigned to him or her by the Chairperson or the Board. The Vice Chairperson must be a member of the Board. The Vice Chairperson shall:

- a. Attend all Board meetings and maintain knowledge of the organization and personal commitment to its goals and objectives
- b. Serve on the Executive Committee
- c. Carry out special assignments as requested by the Board Chairman
- d. Understand the responsibilities of the Board Chairman and be able to perform these duties in the Chairman's absence.
- e. Participate as a vital part of the Board leadership

Section 6. Chairperson-Elect of the Board.

The office of the Chairperson-Elect shall be filled only during the final year of a Chairperson's term, it being anticipated that the Chairperson-Elect will succeed to the position of Chairperson of the Board of Directors by majority vote of the Directors at the conclusion of the Chairperson's term. The Chairperson-Elect shall perform such duties as from time to time shall be assigned to him or her by the Chairperson or the Board. The office of Chairperson-Elect may be held concurrently with any other office other than Chairperson. The Chairperson-Elect must be a member of the Board. The Chairperson-Elect shall:

- a. Attend all Board meetings and maintain knowledge of the organization and personal commitment to its goals and objectives
- b. Serve on the Executive Committee
- c. Carry out special assignments as requested by the Board Chairman
- d. Participate as a vital part of the Board leadership

Section 7. Immediate Past Chairperson of the Board.

The office of the Immediate Past Chairperson of the Board shall be filled for two (2) consecutive years immediately following his or her term as Chairperson. The Immediate Past Chairperson shall:

- a. Attend all Board meetings and maintain knowledge of the organization and personal commitment to its goals and objectives
- b. Serve on the Executive Committee
- c. Carry out special assignments as requested by the Board Chairman
- d. Serves in the capacity of Board Chairman in the absence of the Chairman and Vice Chairman
- e. Participate as a vital part of the Board leadership

Section 8. President and Chief Executive Officer.

The **President and Chief Executive Officer** shall have all authority and responsibility necessary to operate the business of the corporation in all its activities and departments, subject only to such policies as may be issued by the Board or its Executive Committee. He or she shall act as the duly authorized representative of the Board and the corporation in all matters in which the Board has not formally designated some other person to act. He or she shall report as directed to the Executive Committee between Board meetings and to the Board and its Executive Committee at each meeting. The **President and Chief Executive Officer** shall sign, with the Secretary or any other proper officers of the corporation authorized by the Board, any deeds, mortgages, bonds, contracts or other instruments that the Board has authority to execute except in cases where signing or execution shall have been expressly delegated, by the Board, these Bylaws, or statute, to some other officers or agent of the corporation. The **President and Chief Executive Officer** shall be the Chief Executive Officer of the corporation with all the authority of such an officer in a business corporation but shall NOT be a member of the Board.

The **President and Chief Executive Officer**, with the assistance and advice of the HR Council shall be responsible for handling personnel matters involving the compensated staff, including search, selection, employment, compensation, contracts and benefits, and the **President and Chief Executive Officer** shall ensure that periodic (at least annual) reviews of the services of compensated staff members are accomplished

Section 9. Secretary of the Board.

The Secretary shall cause to be kept all of the records of the corporation except the financial records; he or she, or his or her designee, shall record the minutes of the meetings of the Board; he or she shall send out all notices of such meetings, attest to the seal of the corporation where necessary or required, and perform such other duties as may be prescribed by the Board, the Chairperson or the Vice Chairperson. The Secretary shall also keep or cause to be kept a current register of the names and addresses of each Director. The Secretary must be a member of the Board. The Secretary shall:

- a. Attend all Board meetings and maintain knowledge of the organization and personal commitment to its goals and objectives
- b. Serve on the Executive Committee
- c. Ensure the safety and accuracy of all Board records
- d. Prepare and review all Board minutes
- e. Assume responsibilities of the Chairman in the absence of the Vice Chairman or Immediate Past Chairman
- f. Provide notice of meetings of the Board when such notice is required

Section 10. Treasurer of the Board.

The Treasurer, acting with the Executive Committee, shall ensure that a true and accurate accounting of the financial transactions of the corporation is made and that such accounting is presented to and made available to the Board. The Treasurer must be a member of the Board. The Treasurer shall:

- a. Attend all Board meetings and maintain knowledge of the organization and personal commitment to its goals and objectives
- b. Serve as the chair of the finance committee and/or assist the finance committee chair as its liaison to the board
- c. Develop and maintain a detailed knowledge of the organization's financial activity, including accounting controls, financial reports, banking arrangements, investment policy, employee benefits programs, insurance contracts and vendor contracts
- d. Develop and maintain a detailed understanding of RMHC's Global Financial Standards and licensing requirements and the organization's compliance with applicable government regulations
- e. Manage, with the finance committee, the board's review of and action related to the board's financial responsibilities to ensure financial integrity and sustainability of the organization
- f. Work with the President and Chief Executive Officer to ensure that appropriate financial reports are made available to the Board on a timely basis
- g. Present the annual budget to the Board for approval
- h. Review the annual audit and answer board members' questions about the audit findings
- i. Assist with strategic planning, financial forecasting and investment decision-making
- j. Ensure the organization's tax filings are prepared, presented to the board for approval and timely filed with the proper taxing authorities
- m. Assist and advise, as needed, the President and Chief Executive Officer and Board with the negotiation of any nonroutine contracts or agreements which create liability to the organization or its Board

- n. Work with the President and Chief Executive Officer to ensure that available cash is adequate for current liabilities and excess cash is timely identified and appropriately invested
- o. Act as a limited, identified control for expenses approval or cash reconciliations, as needed

The Treasurer shall meet the following requirements:

- i. Establish and maintain a personal commitment to RMHC and its goals and objectives
- ii. Understand financial accounting for nonprofit organizations
- iii. Prior experience serving on non-profit board is desired
- iv. Prior professional experience and established community involvement is desired
- v. In good standing as an active certified public accountant with the Tennessee State Board of Accountancy
- vi. Member of the Tennessee Society of CPAs

Section 11. Other Officers.

The Board may appoint one or more Assistant Secretaries or Assistant Treasurers and other such officers having such duties and responsibilities as the Board shall deem advisable. Such officers shall be members of the Board.

ARTICLE VII

COMMITTEES OF THE BOARD

Section 1. Committees of the Board.

Subject to approval by the Board, the Chairperson of the Board shall appoint the members and chairpersons of such standing committees of the Board as are provided for in these Bylaws and the members and chairpersons of such special committees as the Board shall create. Unless otherwise specified, committee members may include, in addition to Directors, members of the community. Committee Chairs must be Term or Lifetime Directors. These appointments shall be made at the first meeting of the Board after the annual meeting or from time to time as the Chairperson deems appropriate. The Chairperson of the Board shall be a member of all committees. The **President and Chief Executive Officer** shall be an ex-officio member of the committees but shall NOT be entitled to vote.

Section 2. Standing Committees.

Standing committees shall be those named in subsequent sections of this Article and shall have and may exercise all of the powers provided for in these Bylaws. Standing committees shall become thoroughly informed of their duties, shall give careful consideration to matters of policy and are expected and empowered to make recommendations to the Executive Committee and thence to the Board.

Section 3. Special Committees.

Special committees shall be created, as required, by resolution of the Board. The purpose, duties, number of members and reporting requirements of the committee shall be specified in the resolution creating the committee. In addition, special committees may be created by the Chairperson of the Board.

Section 4. Executive Committee.

A. Composition:

The Executive Committee shall be limited to members of the Board and the **President and Chief Executive Officer** and shall consist of the Chairperson, immediate Past Chairperson and the Vice Chairperson of the Board, the Secretary, the Treasurer, the President and Chief Executive Officer and the Chairperson-Elect if such office is filled.

B. Duties:

(1) The Executive Committee shall have power to transact all business of the Board in the management of the corporation during the period between meetings of the Board, subject to limitations set forth in these Bylaws and any limitations otherwise imposed by the Board.

(2) The Executive Committee shall coordinate recommendations from other committees of the Board and shall make recommendations to the Board on all matters of policy and keep the Board advised at all times concerning the state of affairs of the corporation.

(3) The Executive Committee, with the advice of the Human Resources Council, shall act in all personnel matters involving executive personnel, including search, selection, employment, compensation, contracts and benefits, and shall, also, no less than annually, perform a review and evaluation of the executive personnel.

(4) The Executive Committee shall review the corporate Bylaws at least once a year and shall propose revisions to them if necessary or desirable.

(5) The Executive Committee Charter details more fully the duties, responsibilities and authority of this committee and is incorporated herein by reference to these bylaws as Exhibit A, Executive Committee Charter.

C. Meetings, Reports and Recommendations:

The Executive Committee shall meet at least quarterly and shall maintain a permanent record of its proceedings and actions, which record shall be available to the Board and the Chairperson.

Section 5. Finance & Endowment Committee.

A. Composition:

The Finance & Endowment Committee shall consist of the Treasurer of the Board, the Chairperson and at least three (3) additional members. Additional members who are not Directors may also serve on the Committee.

B. Duties:

(1) The Committee shall have the general responsibility for overseeing the financial condition of the corporation and shall make recommendations to the Executive Committee and Board thereon;

(2) The Committee shall assist the Board in planning and developing activities or services to further the purposes of the corporation.

(3) The Committee shall present an annual budget to the Board and advise or assist the Board in matters relating to investments, grants, gifts, and fund raising.

(4) The chairperson of the Finance and Endowment Committee shall also serve as chair of and annually appoint a Gift Acceptance Sub-Committee which may consist of the Executive Committee.

(5) The Finance & Endowment Committee Charter details more fully the duties, responsibilities and authority of this committee and is incorporated herein by reference to these bylaws as Exhibit B, Finance Committee Charter.

C. Meetings, Reports and Recommendations:

The Committee shall meet as necessary, but no less than quarterly. The Committee shall review the organization's financial statements at least quarterly and other financial information as

deemed necessary. The Committee shall timely report the findings of its inspections and its plan for corrections deemed necessary to the Board. The Committee shall make reports and recommendations to the Executive Committee and to the Board as the Committee deems necessary in accordance with its duties. The Gift Acceptance Sub-Committee shall meet as called by its chair to exercise the authority granted by the gift acceptance policy, interpret the provisions of the policy, and to dispose of situations not covered by the policy.

Section 6. Governance Committee

A. Composition:

The Committee shall consist of the at least three (3) members of the Board of Directors. Additional members who are not Directors may also serve on the Committee.

B. Duties:

(1) Oversee and address the operational issues facing the Ronald McDonald House, Ronald McDonald Family Room, Ronald McDonald Care Mobile, and the RMHC Scholarships Program.

(2) Conduct an annual evaluation of the House, Family Room and the Care Mobile program resulting in recommendations to the Board or other committees (such as the property maintenance committee) for needed changes or improvements, staffing or partnerships.

(3) Establish policies and procedures for the effective operation of Ronald McDonald House Charities, as well as, develop and enact a procedure to periodically review current policies and procedures for inadequacies and potential areas of conflict or liability.

(4) Investigate, study and recommend to the Board of Directors a human resources manual of policy and procedure for dealing with compensated staff.

(5) Establish and oversee an advisory council (“Human Resources Council”) consisting of at least three (3) individuals including one (1) attorney, one (1) human resources professional, and one (1) individual with business leadership experience to: (a) make recommendations to the Board of Directors for compensation and benefits for compensated staff and contract employees on at least an annual basis; (b) advise and counsel staff in regard to the implementation of management policies and procedures in regard to development and training. The Human Resources Council shall ensure that staff appreciation activities are conducted and provide meaningful recognition.

(6) Establish scholarship guidelines, review applications, interview and select scholarship recipients and participate in award ceremonies.

(7) Submit an estimate of expenses necessary to accomplish the committee’s objectives and duties during each fiscal year.

(8) The Board Governance Sub-Committee shall assess the structure of the Board organization on an annual basis and make recommendations to the Board of Directors with regard to changes, including committee structure and candidates to fill vacant positions.

(9) The Governance Committee Charter details more fully the duties, responsibilities and authority of this committee and is incorporated herein by reference to these bylaws as Exhibit C, Governance Committee.

C. Meetings, Reports and Recommendations:

The Committee shall meet at least quarterly. It shall maintain a permanent record of its proceedings and actions, and it shall make a report thereof to the Board and the President and Chief Executive Officer.

Section 7. Audit Committee.

A. Composition:

The Audit Committee shall consist of at least three (3) members of the Board of Directors. Additional members who are not Directors may also serve on the Committee.

B. Duties:

(1) Oversee the external audit process, including nomination of the external audit firm, auditor engagement letters and fees, timing and coordination of audit fieldwork visits, designation of tasks to be performed by Board members or volunteers, monitoring of audit results, review of auditor's performance, and review of non-audit services provided by the external audit firm for compliance with professional independence standards.

(2) Review accounting policies.

(3) Review the organization's financial statements, including year-end and interim financial statements, other reports requiring approval by the Board before submission to government agencies, and auditor opinions and management letters.

(4) Review and inquire that all required tax and information return filings with Federal, state, province and local government agencies are current and in compliance with reporting requirements.

(5) Receive and review any other communications from the external auditors that the external auditors are required to submit to the Board or Committee under currently applicable professional auditing standards.

(6) Review and discuss with management the findings and recommendations communicated by the external auditor and ensure the Board has an opportunity to meet with the external auditor, if requested.

(7) Inquire about the existence and nature of significant audit adjustments proposed by the external auditors and significant estimates made by management.

(8) Meet privately with the external auditors to discuss the quality of management, financial, accounting, information technology and internal audit personnel, and to determine whether any restrictions have been placed by management on the scope of their external audit or if there are any other matters that should be discussed with the Committee.

(9) Review the letter of management representation provided to the external auditors as part of the annual audit and inquire as to whether any difficulties were encountered in obtaining the representation letter.

(10) Direct special investigations into significant matters brought to its attention within the scope of its duties.

(11) The Audit Committee Charter details more fully the duties, responsibilities and authority of this committee and is incorporated herein by reference to these bylaws as Exhibit D, Audit Committee.

C. Meetings, Reports and Recommendations:

The Audit Committee shall meet as necessary. It shall maintain a permanent record of its proceedings and actions, and it shall make a report thereof to the Board and the President and Chief Executive Officer.

Section 8. Fund Development Committee.

A. Composition:

The Fund Development Committee shall consist of at least three (3) members. At least two (2) of the Committee members shall be members of the Board of Directors. Additional members who are not Directors may also serve on the Committee.

B. Duties:

(1) The Fund Development Committee shall oversee the entire fund development program of the charity and shall approve an annual fund development plan as developed by the Fund Development staff for consideration by the Board of Directors.

(2) The Fund Development Committee Charter details more fully the duties,

responsibilities and authority of this committee and is incorporated herein by reference to these bylaws as Exhibit E, Fund Development Committee Charter.

C. Meetings, Reports and Recommendations:

The Committee shall meet as necessary, but no less than quarterly. It shall maintain a permanent record of its proceedings and actions. The Committee shall make reports and recommendations to the Executive Committee and to the Board of Directors as the Committee deems necessary in accordance with its duties.

Section 9. Property and Maintenance Committee

A. Composition

The Property and Maintenance Committee shall consist of at least three (3) members of the Board of Directors. Additional members who are not Directors may also serve on the Committee.

B. Duties

(1) The Committee shall review the needs of the physical plant of the Ronald McDonald House, the Ronald McDonald Family Room, the Ronald McDonald Care Mobile and the operation of the House, Family Room, Care Mobile and make final recommendations to the Board of Directors with regard to the following:

(a) all aspects of the building and its grounds or mobile unit, including, but not limited to, interior design, repairs, maintenance, furniture replacement, redecoration/renovation and landscaping; and

(b) policies and procedures to attempt to ensure the safe operation of the Ronald McDonald House, including the building and its grounds, the Ronald McDonald Family Room, and the Ronald McDonald Care Mobile.

(2) The Committee shall establish a crisis coverage schedule with Directors who have been oriented to the physical plant and crisis procedures. It shall formalize crisis procedures and make them available to all Directors and volunteers.

(3) The Committee shall work with the Director of Operations to establish renovation schedules and budget requirements, and it shall establish a schedule of maintenance for all safety equipment. The Committee shall submit to the Board of Directors an estimate of expenses necessary to accomplish the Committee's objectives during each fiscal year.

(4) The Property and Maintenance Committee Charter more fully details the duties, responsibilities and authority of this committee and is incorporated herein by reference to these bylaws as Exhibit F, Property and Maintenance Committee Charter.

C. Meetings, Reports and Recommendations:

The Committee shall meet as necessary, but no less than quarterly. The Committee shall timely report the findings of its inspections and its plan for corrections deemed necessary to the Board. The Committee shall make additional reports and recommendations to the Executive Committee and to the Board as the Committee deems necessary in accordance with its duties. It shall maintain a permanent record of its proceedings and actions.

Section 10. Committee Member's Term of Office.

Each member of a committee shall be appointed for a year (unless otherwise specified in these Bylaws), and shall continue in office until the next annual meeting of the Board and until his or her successor is appointed unless the committee of which he or she is a member shall be sooner terminated by the Board, or until his or her death, resignation or removal, whichever first occurs.

Section 11. Committee Meetings.

Meetings of any committee of the Board may be called by the Chair of such committee by giving notice of such meeting, setting forth its time and place, delivered personally, electronically, or by mail or telephone to the residence or place of business of the committee member as listed in the corporation's office. Unless otherwise provided in these Bylaws, a majority of the members of any committee shall constitute a quorum for the transaction of business. After a quorum has been established at a committee meeting, the subsequent withdrawal of committee members from the meeting so as to reduce the number of committee members present to fewer than the number required for a quorum shall not affect the validity of any action taken at the meeting. Each committee shall keep minutes of its meetings and report to the Board as necessary with recommendations.

Section 12. Resignation or Removal of Committee Members.

A member of any committee of the Board may resign at any time by tendering his or her resignation in writing to the Chair of the committee or to the Chairperson of the Board. The Board may by a majority vote, remove any member from a committee of the Board.

ARTICLE VIII

GENERAL

Section 1. Fiscal Year.

The fiscal year of the corporation shall begin on the first day of January and end on the 31st day of December in each year.

Section 2. Seal.

Any seal of Ronald McDonald House Charities of Greater Chattanooga, Inc., shall have the name of the corporation between two (2) concentric circles and the words “Incorporated” and Not-For-Profit corporation,” together with the state of incorporation.

Section 3. Registered Office.

The registered office of the corporation shall be 200 Central Avenue, Chattanooga, Tennessee 37403, until otherwise designated by the Board.

Section 4. Equal Employment Opportunity.

The employment practices of the corporation shall comply with guidelines set forth under Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, and any future amendments. As such, these practices shall be conducted in such a manner as to obviate discrimination on the basis of race, color, religion, sex or national origin.

Section 5. Construction of Terms and Headings.

Words used in these Bylaws shall be read as the masculine or feminine gender and as the singular or plural, as the context requires. The captions or headings in these Bylaws are for convenience only and are not intended to limit or define the scope or effect of any provisions of these Bylaws.

ARTICLE IX

INDEMNIFICATION

A. Any person made or threatened to be made a party to any legal or administrative action or proceeding, whether civil or criminal, by reason of the fact that he or she, or his or her testator or intestate, is or was a Director, officer or employee of the corporation, or member of a committee of the corporation, or who serves or served any other corporation or other entity or organization in any capacity at the request of this corporation while he or she was a Director, officer

or employee of this corporation, or member of a committee of the corporation, shall be indemnified by the corporation as set out below.

B. Such indemnification shall be against all judgments, fines, amounts paid in settlement and reasonable expenses, including attorney's fees actually and necessarily incurred as a result of any such action or proceeding, or any appeal therein to the fullest extent permitted and in the manner prescribed by the laws of the State of Tennessee, as they may be amended from time to time, or such other law or laws as may be applicable to the extent such other law or laws are not inconsistent with the law of Tennessee.

C. The foregoing provisions of this Article shall be deemed to be a contract between the corporation and each Director, officer, employee or committee member of the corporation in such a capacity at any time while this Article is in effect. Any repeal or modification of this Article or any applicable provision of the law of Tennessee, shall not affect any rights or obligations then existing as it relates to any action or proceedings theretofore or thereafter brought or threatened based in whole or in part upon any such state of facts. However, the right of indemnification provided in the Article shall not be deemed exclusive of any other rights to which any Director, officer, employee or committee member of the corporation may now be or hereafter become entitled apart from this Article.

ARTICLE X

DISSOLUTION

Upon the dissolution of the corporation, the Board shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes described in Article I of these Bylaws and in accordance with the Amended and Restated Articles of Incorporation. Any such assets not so disposed of shall be disposed of by the Chancery Court of Hamilton County, Tennessee, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for charitable, educational or scientific purposes as described in §501(c)(3) of the Internal Revenue Code of 1954, or the corresponding provisions of any subsequent Federal tax laws.

ARTICLE XI

DUALITY OF INTEREST

1. Any duality of interest or possible conflict of interest on the part of any Director or officer of the corporation shall be disclosed to other Directors and officers and shall be made a matter of record, either through an annual procedure or when the interest becomes a matter of Board action.

2. Any governing Director or officer having a duality of interest or possible conflict of interest on any matter shall not vote or use his or her personal influence on the matter, and he or she shall not be counted in determining the quorum for the meeting even where permitted by law. The minutes of the meeting should reflect that a disclosure was made and the abstention from voting.

3. The foregoing requirement shall not be construed as preventing the governing Director or officer from stating his or her position in the matter, nor from answering pertinent questions of other Directors since his or her knowledge may be of great assistance.

4. The Board shall adopt a policy of duality of interest, which policy shall implement this Bylaw and shall be in conformity with applicable Tennessee law; this policy shall be reviewed as deemed necessary by the Board for the information and guidance of governing Directors, and any new Director or officer shall be advised of the policy upon entering on the duties of his or her office.

ARTICLE XII

AMENDMENTS TO THE BYLAWS

These Bylaws may be altered, amended, repealed or supplemented and new Bylaws may be adopted by a majority vote of the Board at any meeting of the Board at which a quorum is present; provided, however, that written notice of the proposed change shall have been given to the members of the Board no less than ten (10) days prior to the meeting in the notice of the meeting.

ARTICLE XIII

ADOPTION

We hereby certify that the foregoing Amended Bylaws of Ronald McDonald House Charities of Greater Chattanooga, Inc. was adopted by the membership thereof, which was duly assembled in a meeting held on the 5th day of December, 2019. They supersede and replace all previous Bylaws.

IN WITNESS WHEREOF, we have hereunto affixed our official signatures this 5th day of December, 2019.

RONALD MCDONALD HOUSE CHARITIES
OF GREATER CHATTANOOGA, INC.
a not-for-profit corporation

BY: _____
James Scotchie
Its Chairperson

ATTEST:

Secretary

RESOLUTION

WHEREAS, the Board of Directors of Ronald McDonald House Charities of Greater Chattanooga, Inc., is desirous of amending its Bylaws; and

WHEREAS, the current Bylaws provide that no less than ten (10) days prior written notice of the proposed changes be given to all members; and

WHEREAS, the undersigned Chairperson and Secretary attest to the fact that proper and timely notice of amendments to the Bylaws was duly given;

THEREFORE, IT IS RESOLVED, that the amendments to the Bylaws of Ronald McDonald House Charities of Greater Chattanooga, Inc., are hereby ratified and approved.

Dated this 5th day of December, 2019.

RONALD MCDONALD HOUSE CHARITIES
OF GREATER CHATTANOOGA, INC.

BY: _____
James Scotchie
Its Chairperson

BY: _____
Secretary

Executive Committee Charter

Effective Date of Charter: 01/22/2019
Date Last Amended: 01/22/2019
Next Review (If required): 01/01/2021

Purpose

The Executive Committee is comprised of the Board's Officers and Chief Executive Officer. The Executive Committee is responsible for ensuring the Board is addressing the needs and challenges facing the organization, as well as, the designated Board representative to provide performance and compensation evaluations for the Chief Executive Officer.

Authority

The Executive Committee has the same authority delegated to all other committees in its absence or failure to act pursuant to its charters. The Committee has sole authority to retain and terminate the CEO. The Committee has sole authority to retain and terminate outside counsel or other experts or consultants, as it deems appropriate, for the search, retention, compensation, advisement or termination of an acting CEO of the Chapter. This includes the sole authority to approve such counsel/experts or consultants fees and other retention fees, as well as, the sole authority to approve the CEO's compensation and benefits package. The Committee shall be provided with the resources necessary to discharge its responsibilities. The Board shall review the adequacy of this charter on an annual basis. The Committee may form and delegate authority to subcommittees and may delegate authority to one or more members of the Committee.

Membership

The Executive Committee shall be a standing committee of the Board of Directors, comprised of Board Officers, CEO and any other delegate designated by the acting Board Chairperson. Members of the Committee shall:

1. Have no relationship to the Chapter that may interfere with the exercise of their independence from management and the Chapter;
2. Be financially, operationally, and organizationally literate regarding the specialized matters of the Chapter or shall acquire such literacy within a reasonable time period after appointment to the Committee.

Responsibilities

The primary duties of the Executive Committee include:

- a. Initiate the development of a strategic plan to encompass the Board's mission and vision. Monitor Board and organizational progress against the strategic plan.
- b. Develop Board meeting agendas and ensuring the Board sets aside time to engage in self-introspection and planning. This includes planning the annual Board Retreat.
- c. Assign qualified committee chairs and provide relationship managers to essential organizational partners, including Erlanger and the local McDonald's organization.

- d. Ensure the Board reviews and approves the annual budget and any needed changes to the by-laws annually.
- e. Conduct timely performance reviews of the President and Chief Executive Officer.
- f. Document how executive compensation is linked to performance and maintain records about what other peer and similar-sized organizations pay their top staff.
- g. Manage the lead role in any searches for a new President and Chief Executive Officer.
- h. Plan the board retreat.
- i. Review this Charter on an annual basis and propose any recommended changes to the Board.

The Committee shall meet on a regular basis and call special meetings as deemed necessary in fulfilling the responsibilities described in this Charter.

Finance Committee Charter

Effective Date of Charter: 01/22/2019
Date Last Amended: 01/22/2019
Next Review (If required): 01/01/2021

Purpose

The primary responsibility for the Chapter's financial reporting and management rests with senior operating management, as overseen by the Chapter's Board of Directors (the "Board"). The purpose of the Finance Committee (the "Committee") is to assist the Board in fulfilling this responsibility by providing oversight of the financial management and financial reporting function.

Authority

The Finance Committee shall have the resources and authority necessary to discharge its duties and responsibilities. The Committee has authority to retain and terminate outside counsel or other experts or consultants for accounting, banking and investment functions, as it deems appropriate or as directed by the Board, including authority to approve the firms' fees and other retention terms. This authority does not extend to auditing services. The Committee may form and delegate authority to subcommittees and may delegate authority to one or more members of the Committee.

Membership

The Finance Committee shall be a standing committee of the Board of Directors, comprised of not less than three members of the Board. Members of the Committee shall:

1. Have no relationship to the Chapter that may interfere with the exercise of their independence from management and the Chapter;
2. Be financially literate regarding the specialized matters of the Chapter or shall acquire such financial literacy within a reasonable time period after appointment to the Committee.

In addition, at least one member of the Committee shall be a financial expert possessing the following characteristics:

1. An understanding of generally accepted accounting principles (GAAP) applicable to the Chapter and financial statements;
2. The ability to assess the application of generally accepted accounting principles in connection with accounting for estimates, accruals, and reserves of the Chapter;
3. Experience preparing, accounting, analyzing, or evaluating financial statements of comparable complexity to those of the Chapter;
4. An understanding of internal controls and procedures for financial reporting; and
5. An understanding of finance committee functions.

Appointments to the Finance Committee shall be for three-year terms and eligible for consecutive appointments of no more than one additional three-year term.

Responsibilities

The Finance Committee's role is one of oversight, recognizing that the Chapter's management and accounting firm are responsible for financial management and for preparing the Chapter's financial statements. The Committee shall have oversight responsibilities in certain areas of financial management and reporting as follows:

- a. Oversee the Chapter's financial assets, including policies associated with safekeeping and protection of those assets;
- b. Review and evaluate the Chapter's financial viability;
- c. Oversee the annual budget process to ensure timely proposal;
- d. Review the annual budget and recommend it to the full Board for approval;
- e. Review new initiatives involving requests for funding;
- f. Review the Chapter's cash flow management;
- g. Review the financial impact of agenda items being considered by the full Board;
- h. Review and advise the Board in matters relating to employee benefit management;
- i. Monitor budget implementation and accounting and financial policies and procedures;
- j. Review monthly and quarterly financial reports and monitor and analyze financial performance against budget and past performance;
- k. Prepare a report, signed by the chair of the Committee, for presentation to the full Board of Directors, describing the activities and responsibilities of the Committee;
- l. Review overall Chapter risk management and adequacy of insurance carried by the Chapter (and report annually to the Audit Committee on the Chapter's risk management function);
- m. Review all borrowing arrangements of the Chapter;
- n. Oversee the annual IRS Form 990 Board review and execution by CEO;
- o. Review annual income tax and information returns filed with the Federal and State government agencies, include state registrations;
- p. Review this Charter on an annual basis and propose any recommended changes to the Board;
- q. Oversee the management of the Chapter's investments and propose recommendations, including review of investment policies, use of external investment managers, and other matters associated with investment management.

The Committee shall meet on a regular basis and call special meetings as deemed necessary in fulfilling the responsibilities described in this Charter

AUDIT COMMITTEE CHARTER

Effective Date of Charter: 01/22/2019
Date Last Amended: 01/22/2019
Next Review (If required): 01/01/2021

Purpose

The primary responsibility for the Chapter's financial reporting and internal controls rests with senior operating management, as overseen by the Chapter's Board of Directors (the "Board"). The purpose of the Audit Committee (the "Committee") is to assist the Board in fulfilling this responsibility by providing oversight of the Chapter's audit functions (external and internal), as well as other investigations (external and internal).

Authority

The Audit Committee has authority to:

- Retain the Chapter's external auditors.
- Investigate any matter brought to its attention with complete and unrestricted access to all books, records, documents, facilities, and personnel of the Chapter.
- Retain outside counsel, auditors, investigators, or other experts in the fulfillment of its responsibilities, including the authority to approve the firms' fees and other retention terms.

The Committee shall be provided with the resources necessary to discharge its responsibilities. The Board shall review the adequacy of this charter on an annual basis. The Committee may form and delegate authority to subcommittees and may delegate authority to one or more members of the Committee.

Membership

The Audit Committee shall be a standing committee of the Board of Directors, comprised of not less than three members of the Board. Members of the Committee shall:

1. Have no relationship to the Chapter that may interfere with the exercise of their independence from management and the Chapter;
2. Be financially literate regarding the specialized matters of the Chapter or shall acquire such financial literacy within a reasonable time period after appointment to the Committee.

In addition, at least one member of the Committee shall be a financial expert possessing the following characteristics:

1. An understanding of generally accepted accounting principles (GAAP) applicable to the Chapter and financial statements;
2. The ability to assess the application of generally accepted accounting principles in connection with accounting for estimates, accruals, and reserves of the Chapter;

3. Experience preparing, auditing, analyzing, or evaluating financial statements of comparable complexity to those of the Chapter;
4. Understanding of internal controls and procedures for financial reporting; and
5. Understanding of audit committee functions.

Appointments to the Audit Committee shall be for three-year terms and are eligible for consecutive appointments of no more than one additional three-year term.

Responsibilities

The Committee's role is one of oversight, recognizing that the Chapter's accounting firm is responsible for preparing the Chapter's financial statements and that the external auditors are responsible for auditing those financial statements. The Committee recognizes that the Chapter's internal financial management team, as well as the external auditors, have more time and detailed information about the Chapter than do Committee members. Consequently, in discharging its oversight responsibilities, the Committee is not providing expert advice or any assurances as to the Chapter's financial statements or any professional certification as to the external auditor's services.

The Committee shall have certain responsibilities in the areas of financial reporting, internal control, and Chapter governance.

In the areas of financial **reporting and internal control**, the Committee shall:

- a. Oversee the external audit process, including nomination of the external audit firm, auditor engagement letters and fees, timing and coordination of audit fieldwork visits, designation of tasks to be performed by Board members or volunteers, monitoring of audit results, review of auditor's performance, and review of non-audit services provided by the external audit firm for compliance with professional independence standards;
- b. Review accounting policies;
- c. Review the Chapter's financial statements, including year-end and interim financial statements, other reports requiring approval by the Board before submission to government agencies, and auditor opinions and management letters;
- d. Determine that all required tax and information return filings with Federal, state, province and local government agencies are current and in compliance with reporting requirements;
- e. Receive and review any other communications from the external auditors that the external auditors are required to submit to the Board or Committee under currently applicable professional auditing standards;
- f. Review and discuss with management the findings and recommendations communicated by the external auditor and ensure the Board has an opportunity to meet with the external auditor, if requested;
- g. Inquire about the existence and nature of significant audit adjustments proposed by the external auditors and significant estimates made by management;
- h. Meet privately with the external auditors to discuss the quality of management, financial, accounting, information technology and internal audit personnel, and to determine whether any

restrictions have been placed by management on the scope of their external audit or if there are any other matters that should be discussed with the Committee;

- i. Review the letter of management representations provided to the external auditors as part of the annual audit and inquire as to whether any difficulties were encountered in obtaining the representation letter;
- j. Prepare a report, signed by the chair of the Committee, for presentation to the full Board of Directors, describing the activities and responsibilities of the Committee.
- k. Direct special investigations into significant matters brought to its attention within the scope of its duties;
- l. Review this Charter on an annual basis and propose any recommended changes to the Board.

In the area of Chapter **governance**, the Committee shall:

- a. Review Chapter policies regarding compliance with laws and regulations, ethics, employee conduct, conflicts of interest, and the investigation of misconduct or fraud;
- b. Review current and pending litigation or regulatory proceedings impacting Chapter governance in which the Chapter is a party;
- c. Establish and monitor Chapter procedures for receiving and handling complaints about accounting and auditing matters;
- d. Review significant cases of employee or director conflict of interest, misconduct or fraud;
- e. Ensure each employee receives the Whistleblower Policy and is assured confidentiality and protection under the policy;
- f. Ensure the organization responds willingly to reasonable requests of public information;
- g. Review and approve the internal audit charter, which explains the framework for providing internal audit services to management and the Committee;
- h. Review plans and budgets associated with the internal audit function to determine that audit objectives, plans, financial budgets, and schedules provide for adequate support of the Audit Committee's goals and objectives; and
- i. Discuss with the external audit firm the reliability of the Chapter's information technology system and any specific security measures in protecting the Chapter against fraud and abuse.

The Committee shall meet on a regular basis and call special meetings as deemed necessary in fulfilling the responsibilities described in this Charter.

GOVERNANCE COMMITTEE

Effective Date of Charter: 01/22/2019

Date Last Amended: 01/22/2019

Next Review (If required): 01/01/2021

Purpose

The Governance Committee is responsible for the effective delivery of services to clients in the four programs: House, Family Room, Care Mobile and Scholarships and is the umbrella for Board oversight and recruitment, as well as, oversight for organizational and human resource policies. In addition, through the Board Oversight and Recruitment Sub-Committee, the Governance Committee monitors compliance with Board member expectations, conducts the nominating process and is responsible for board training.

Authority

The Governance Committee has authority to plan and enact the staff appreciation event and has authority to retain and terminate vendors for the staff appreciation event, as it deems appropriate, including authority to approve vendor fees. Further, the Governance Committee has authority to refer any matter brought to its attention to the Audit Committee for investigation. The Governance Committee shall be provided with the resources necessary to discharge its responsibilities. The Board shall review the adequacy of this charter on an annual basis. The Committee may form and delegate authority to subcommittees and may delegate authority to one or more members of the Committee.

Membership

The Governance Committee shall be a standing committee of the Board of Directors, comprised of not less than three members of the Board. Members of the Committee shall:

1. Have no relationship to the Chapter that may interfere with the exercise of their independence from management and the Chapter;
2. Be financially, operationally, and organizationally literate regarding the specialized matters of the Chapter or shall acquire such literacy within a reasonable time period after appointment to the Committee.

In addition, the Committee shall include at least one of the following:

1. An attorney with experience in human resources;
2. A human resources specialist;
3. A business or community leader with management experience;
4. An experienced current or former volunteer (or other knowledgeable person, such as former staff) from each of the four programs: House, Family Room, Care Mobile and Scholarships.

Appointments to the Governance Committee shall be for three-year terms and are eligible for consecutive appointments of no more than one additional three-year term.

Responsibilities

The primary duties of the Governance Committee include:

- a. Address and clarify the roles and responsibilities of Board positions. Provide strategic direction for Board composition relative to skills, professions, affiliations, committee assignments and recommend necessary changes to the Board structure, process and guideline documents. Conduct needs assessment for ongoing Board training and in-service needs to ensure appropriate Board training is developed and implemented. Also, review committee structure to ensure alignment with mission and strategic goals.
- b. Oversee and address the operational issues facing the four programs: House, Family Room, Care Mobile and Scholarships. Review the cost and effectiveness of these existing programs. Assign and oversee task forces as needed and report task force results to the Board, as necessary.
- c. Conduct an annual evaluation of the House, Family Room and the Care Mobile programs resulting in recommendations to the Board or other committees;
- d. Establish policies and procedures for the effective operation of the Ronald McDonald House Charities. This includes the establishment of scholarship guidelines, review of applications, interviewing and selection of scholarship recipients and participation in award ceremonies.
- e. Adopt a code of ethical conduct and/or ethical standards. Develop clear policies and procedures to safeguard against premature destruction of documents. Write, review and implement the whistleblower policy. Establish procedures to deal with real or possible Board conflicts of interest. Develop a policy for emergency replacement of Board executives, including the Chief Executive Officer.
- f. Investigate, study and recommend to the Board a human resources manual of policies and procedures for compensated staff. Advise and counsel the Chief Executive Officer regarding the implementation (i) of management policies and procedures and (ii) of staff development and training. Make recommendations to the Board for compensation and benefits for compensated staff and contract employees on at least an annual basis. Plan an annual activity for staff appreciation. Develop and submit annual budget needs to the Finance Committee for the identified recommendations; include recommendations for volunteer program budget needs.
- g. Board Oversight and Recruitment Sub-Committee – The Board Oversight and Recruitment Sub-Committee is tasked with clarifying expectations of all Board members by determining the criteria for Board member performance assessment and appropriateness of re-nomination. In addition, it is tasked with assessing Board member participation, commitment and contribution to governance duties and considering suitability for re-election. The Sub-Committee is tasked with addressing board composition and identifying to Governance the skills, expertise and attributes needed for the Board. Thus, it must seek out, cultivate and recruit Board member prospects and ultimately, coordinate and vet recommended individuals for election to the Board. This Sub-Committee is the Board's agent to ensure there are regular, well-conceived activities focused on Board development, and therefore provides training, orientation and mentoring for new Board Members. Also, they identify and develop leadership potential for committee chairs, event chairs and officer positions. Finally, the Sub-Committee is tasked conducting an annual Board self-assessment and secures updated Board Member information annually with results reported to the Governance Committee.
- h. Prepare a report, signed by the chair of the Committee, for presentation to the full Board of Directors, describing the activities and responsibilities of the Committee.
- i. Review this Charter on an annual basis and propose any recommended changes to the Board.

The Committee shall meet on a regular basis and call special meetings as deemed necessary in fulfilling the responsibilities described in this Charter.

Fund Development Committee Charter

Effective Date of Charter: 01/22/2019
Date Last Amended: 01/22/2019
Next Review (If required): 01/01/2021

Purpose

The Fund Development Committee is responsible for developing an annual plan of fundraising activities to support the budgetary needs of the agency and evaluates proposals from outside organizations.

Authority

The Fund Development Committee has authority to plan and enact the fundraising events, activities and solicitations in accordance with the fundraising strategy and plan. The Committee has authority to retain and terminate vendors for fundraising activities, as it deems appropriate, including authority to approve vendor fees. The Committee shall be provided with the resources necessary to discharge its responsibilities. The Board shall review the adequacy of this charter on an annual basis. The Committee may form and delegate authority to subcommittees and may delegate authority to one or more members of the Committee.

Membership

The Fund Development Committee shall be a standing committee of the Board of Directors, comprised of not less than three members of the Board. Members of the Committee shall:

1. Have no relationship to the Chapter that may interfere with the exercise of their independence from management and the Chapter;
2. Be financially, operationally, and organizationally literate regarding the specialized matters of the Chapter or shall acquire such literacy within a reasonable time period after appointment to the Committee.

Appointments to the Fund Development Committee shall be for three-year terms and are eligible for consecutive appointments of no more than one additional three-year term.

Responsibilities

The primary duties of the Fund Development Committee include:

- a. Examination of internal and external environmental forces affecting the organization and its funding.
- b. Develop an annual comprehensive fund development plan. This requires projecting expected costs and revenues from fundraising efforts and the development and submission of annual budget needs to the Finance Committee for the identified required costs.
- c. Present the annual fund development plan to the Board for approval and engage the Board in the fundraising process including the identification of potential donors.
- d. Monitor performance of fundraising results compared to approved goals and budget;
- e. Prepare a report, signed by the chair of the Committee, for presentation to the full Board of Directors, describing the activities and responsibilities of the Committee;

- f. Engage the Board in the fundraising process
- g. Identify potential donors in the community and through Board and staff engagement
- h. Review this Charter on an annual basis and propose any recommended changes to the Board.

The Committee shall meet on a regular basis and call special meetings as deemed necessary in fulfilling the responsibilities described in this Charter.

Effective Date of Charter: 01/22/2019
Date Last Amended: 01/22/2019
Next Review (If required): 01/01/2021

Purpose

The Property Maintenance Committee is responsible for oversight of the physical property of the organization, planning and budgeting for renovations, remodels and repairs while establishing procedures for the safe operation of the facilities.

Authority

The Property Maintenance Committee has authority to approve bids submitted by staff for necessary renovations, remodels and repairs; however, such selected vendors must then be forwarded to the Finance Committee for final approval. The Committee shall be provided with the resources necessary to discharge its responsibilities. The Board shall review the adequacy of this charter on an annual basis. The Committee may form and delegate authority to subcommittees and may delegate authority to one or more members of the Committee.

Membership

The Property Maintenance Committee shall be a standing committee of the Board of Directors, comprised of not less than three members of the Board. Members of the Committee shall:

1. Have no relationship to the Chapter that may interfere with the exercise of their independence from management and the Chapter;
2. Be financially, operationally, and organizationally literate regarding the specialized matters of the Chapter or shall acquire such literacy within a reasonable time period after appointment to the Committee.

Appointments to the Property Maintenance Committee shall be for three-year terms and are eligible for consecutive appointments of no more than one additional three-year term.

Responsibilities

The primary duties of the Property Maintenance Committee include:

- a. Review the needs of the organization’s physical plant, property and equipment and make final recommendations the Board for needed actions. This includes setting guidelines for contract bid process and approval of bids for large purchases submitted by staff and the development and submission of annual budget needs to the Finance and Endowment Committee for the identified expenditures;
- b. Establish a maintenance schedule for all property and equipment to ensure compliance with RMHC Global’s standard for maintenance and establish renovation schedules and budget requirements;
- c. Establish renovation schedules and budget requirements;
- d. Conduct annual inspection of the property with the Director of Operations and Maintenance Specialist;

PROPERTY MAINTENANCE COMMITTEE CHARTER

EXHIBIT F

- e. Prepare a report, signed by the chair of the Committee, for presentation to the full Board of Directors, describing the activities and responsibilities of the Committee;
- f. Conduct an inspection of the property with the Director or Operations and/or Maintenance Specialist, if available, after substantial damage to the property and prepare a report of findings to the board;
- g. Approve bids for large purchases submitted by staff;
- h. Set guidelines for contract bidding;
- i. Develop and submit annual budget needs to Finance Committee; and
- j. Review this Charter on an annual basis and propose any recommended changes to the Board.

The Committee shall meet on a regular basis and call special meetings as deemed necessary in fulfilling the responsibilities described in this Charter.