



# **Report on the Progress of the American Red Cross Strategic Plan**

**Fiscal Year 2005 Results**

SFC-ARC-A002304

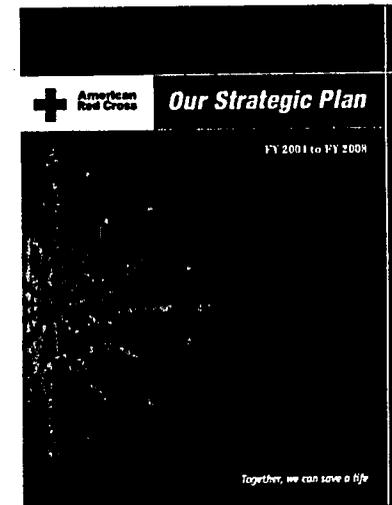


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# Introduction

- ◆ FY05 was a year of heightened service delivery and organization-wide change
  - Domestic and international natural disasters captured the attention of the world and the American Red Cross played central response and recovery roles
  - Preparedness information was provided to a continually growing audience
  - Structural change came to the chapter network with the full implementation of Service Areas; changes to the Biomedical Services organization included the exit of several lines of business and the realignment of regions in order to focus on the core activities of blood collection and sales; changes at the national headquarters reduced costs and focused resources onto the core functions
  
- ◆ Significant strides made over the course of FY2005
  - Continued progress under the FDA Amended Consent Decree
  - Implemented the system of Chapter Performance Standards
  - Developed a proposed conceptual framework for Red Cross presence in every community
  - Improved disaster response capacity
  - Bolstered fundraising and revenue generation efforts
  - Further enhanced partnerships with government agencies
  
- ◆ Strategic plans were developed widely by chapters to foster alignment and integration
  
- ◆ This report highlights FY05 performance against the Strategic Scorecard in the American Red Cross Strategic Plan



**BE AMERICA'S PARTNER AND A LEADER IN MOBILIZING COMMUNITIES TO HELP PEOPLE PREVENT, PREPARE FOR AND RESPOND TO DISASTERS AND OTHER LIFE-THREATENING EMERGENCIES.**

METRIC	FY 2003	FY 2004
<b>1. Individuals, families and organizations are prepared for disasters and other life-threatening emergencies.</b>		
% of households that have a disaster kit	41	60
% of households in which a member has taken a lifesaving skill course	32	40
% of parents who know of schools disaster plan	23	30
% of employees who know of employer's disaster plan	02	73
% of Americans receiving general preparedness information from the Red Cross	04	00
% of military families who know how to contact the Red Cross	18	23
	TBD	TBD
<b>2. The American Red Cross is able to effectively respond to a disaster in every community across the nation.</b>		
% of chapters resourced and prepared to respond to a disaster in their community	TBD	100
% of chapters that conduct disaster exercises with community	TBD	100
<b>3. The American Red Cross is a leader in ensuring the nation has a secure and adequate supply of the safest blood possible.</b>		
Days of supply	4	7
Compliance with FDA requirements	—	100%
Blood components distributed (in millions)	9.2	13.2
<b>4. The American Red Cross leverages its expertise and competencies internationally by forming or lifesaving international programs and by involving chapters in international community outreach.</b>		
# of lives saved through international programs per year	190,000	280,000
# of people assisted through international programs per year	45,000,000	63,000,000
# of chapters that supported lifesaving international programs through proactive fund raising and/or collaborative efforts on an agreed-upon initiative (e.g. Malaria Initiative chapter partners)	74	160

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# Strategic Direction and Goals

## Mission

The American Red Cross, a humanitarian organization led by volunteers and guided by its Congressional Charter and the Fundamental Principles of the International Red Cross Movement, will provide relief to victims of disasters and help people prevent, prepare for, and respond to emergencies.

## Strategic Direction

- ◆ Be America's partner and a leader in mobilizing communities to help people prevent, prepare for and respond to disasters and other life-threatening emergencies.
- ◆ Inspire a new generation of volunteers and supporters to enrich our traditional base of support.
- ◆ Strengthen our financial base, infrastructure and support systems to continuously improve our service delivery system.

## Strategic Goals

1. Individuals, families and organizations are prepared for disasters and other life-threatening emergencies.
2. The American Red Cross is effectively able to respond to a disaster in every community across the nation.
3. The American Red Cross is a leader in ensuring the nation has a secure and available supply of the safest blood possible.
4. The American Red Cross leverages its expertise and competencies internationally by focusing on life-saving international programs and by involving chapters in international community outreach.
5. More people are engaged in the mission of the Red Cross as volunteers, blood donors and financial donors.
6. The American Red Cross demonstrates sustained progress in ensuring it is representative of the communities it serves.
7. The American Red Cross is a leader in efficient administrative and fundraising performance in order to maximize resources dedicated to programs and services.
8. The American Red Cross has a high performance work force comprised of dedicated volunteers and employees who are committed to upholding the highest standards of conduct in the workplace.

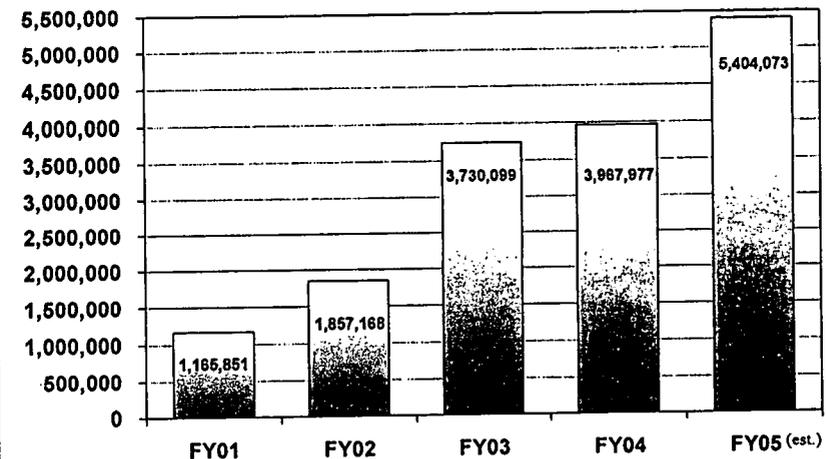
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# 1. Individuals, families and organizations are prepared for disasters and other life-threatening emergencies.



Metric	FY05 Results	FY04 Results	FY08 Target	Progress
% of households that have a disaster plan	42%	32%	50%	●
% of households that have a disaster kit	45%	42%	40%	●
% of households in which a member has taken a life-saving skill course	18%	13%	30%	●
% of parents who know of school's disaster plan	41%	51%	75%	●
% of employees who know of employer's disaster plan	59%	48%	65%	●
% of Americans receiving general preparedness information from the Red Cross	17%	19%	25%	○
# of military members and families briefed on how to contact the Red Cross (each year)	644,000 (est.)	793,705	700,000	○

○ - Performance on track    - Needs improvement    ● - Target achievement at risk



Number of People Attending Preparedness Education Courses

- ◆ Rise in the numbers of households that have disaster plans and disaster kits
- ◆ Significant increase in the number of Together We Prepare and Community Disaster Education courses delivered by chapters, though new strategies to reach people must be pursued
- ◆ More than any other organization, the Red Cross was named by Americans as the organization they would turn to for disaster or emergency preparedness information (40 percent)
- ◆ Launched online store to promote and sell a range of preparedness products
- ◆ Along with George Washington University and the U.S. Department of Homeland Security, hosted major symposium "Public Preparedness: A National Imperative"

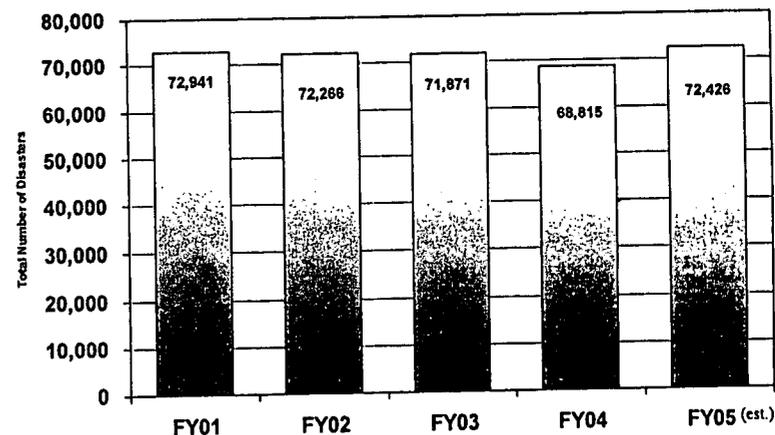
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## 2. The American Red Cross is able to effectively respond to a disaster in every community across the nation.

Metric	FY05 Results	FY04 Results	FY08 Target	Progress
% of resources attained to successfully manage three simultaneous Level V disasters	100%	96%	100%	●
% of chapters that can effectively respond to a multi-family disaster (Readiness level 2 or higher)	22%	15%	100%	●

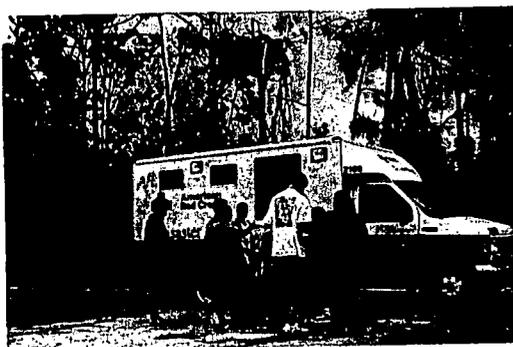
○ - Performance on track   - Needs Improvement   ● - Target achievement at risk



Number of Disaster Operations

Disaster Services	FY05 (est.)
# of families financially assisted	97,800
# of people sheltered	424,000

- ◆ Hurricane season 2004: Hurricanes Charley, Frances, Ivan and Jeanne; Tropical Storms Bonnie and Gaston; and Super Typhoon Chaba
  - Largest combined shelter and feeding operation in response to a natural disaster in American Red Cross history (surpassed by Hurricane Katrina / Rita in 2005)
  - Impacted millions across 22 states and territories
  - Drew over \$127 million in contributions
- ◆ Technology innovations introduced and expanded
  - Client Assistance System (CAS) provides real-time access to client information no matter where services are delivered
  - Client Assistance Card use expanded
    - Stored-value debit cards which clients can use to purchase needed supplies anywhere MasterCard is accepted
- ◆ Disaster Services Human Resources (DHSR) groups and activities restructured
- ◆ Further strengthened the Coordinated Assistance Network and deployed it during the Florida Hurricanes

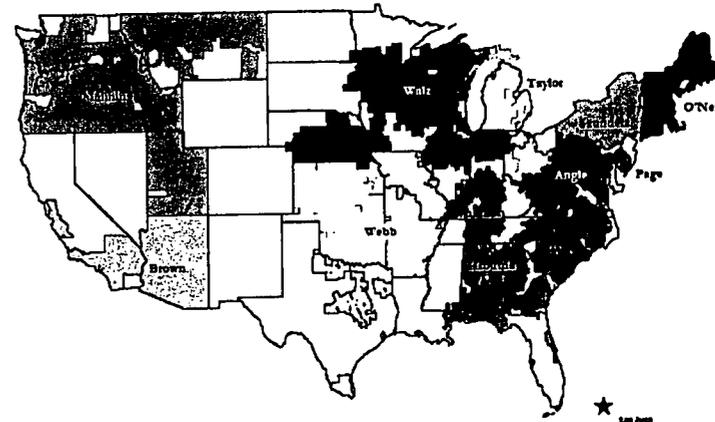


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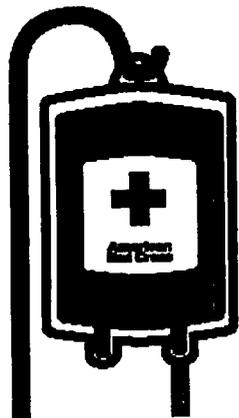
### 3. The American Red Cross is a leader in ensuring the nation has a secure and adequate supply of the safest blood possible.

Metric	FY05 Results	FY04 Results	FY08 Target	Progress
Days of supply	2.8 days	2.6 days	5.0 days	○
Continuous reduction in number of 483s and Adverse Determination Letters (ADLs)	32 483s 2 ADLs	120 483s 3 ADLs	60 483s 0 ADLs	●
Blood components distributed (in millions)	9.0	9.3	10.1	○

○ - Performance on track    - Needs Improvement    ● - Target achievement at risk



Biomedical Services Divisions



- ◆ Implemented divisional field structure to focus region activities on core blood collection and sales activities; 11 divisions in place around the country
- ◆ Launched *Neighbors Give Life* program to promote blood donations across the country
  - State Farm is key partner and has committed \$1 million to the effort
  - Country-music singer Tim McGraw is the face and voice of the campaign
- ◆ Exited the Tissue Services and Plasma Services programs
  - Transferred tissue program assets to the not-for-profit Musculoskeletal Transplant Foundation, Inc.
  - Entered long-term plasma supply agreement with Baxter Healthcare Corporation
- ◆ 'Days of supply' results and FY08 target reflect new daily inventory assumptions
  - Days of supply on 8/30/05 reached 6.35 days (rising with the generous response of Americans to the Hurricane Katrina and Rita disasters)

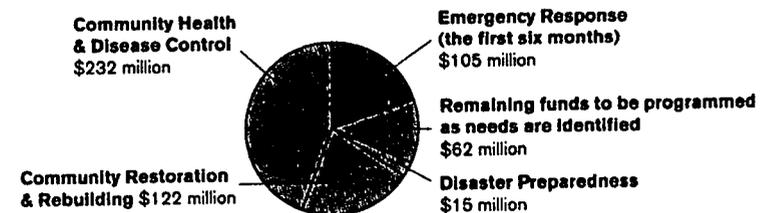
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#### 4. The American Red Cross leverages its expertise and competencies internationally by focusing on life-saving international programs and by involving chapters in international community outreach.

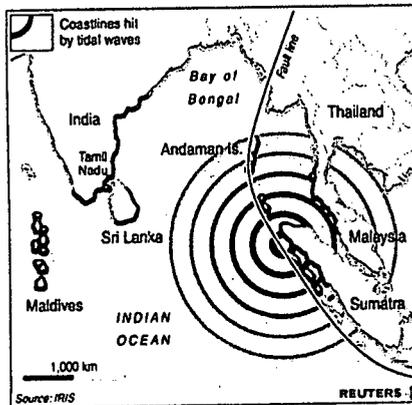
Metric	FY05 Results	FY04 Results	FY08 Target	Progress
# of lives saved through international programs per year	148,691	98,490	280,000	●
# of people assisted through international programs per year	43 million	44 million	50 million	○
# of chapters that support life-saving international programs through proactive fundraising and/or collaborative efforts	301	250	250	●

○ - Performance on track    - Needs improvement    ● - Target achievement at risk

#### Tsunami Relief & Recovery Efforts Recovery Plan Projections



Orange indicates recovery programs over the next five years. This is based on estimates and is subject to change.



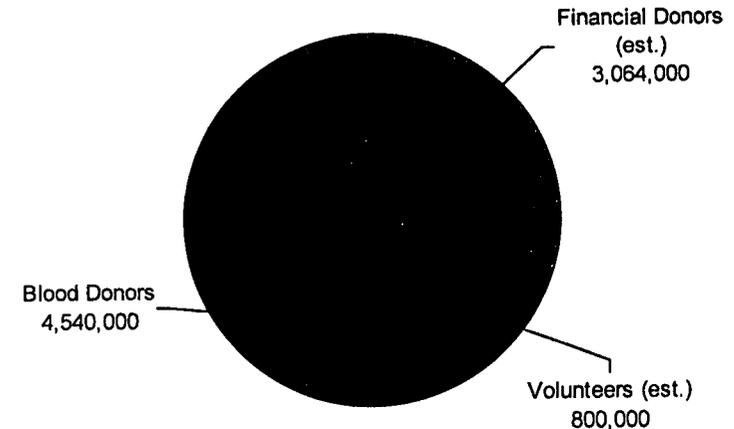
- ◆ On December 26, 2004, a 9.0-magnitude earthquake and a resulting tsunami caused cataclysmic destruction impacting 12 different countries in Asia and Africa
  - The largest earthquake in 40 years and the largest natural disaster relief operation in history
  - Claimed more than 200,000 lives and left millions homeless
  - Raised over \$567 million in contributions
  - The Tsunami Recovery Program (TRP) launched to continue helping tsunami survivors over the next five years
- ◆ Over 150 million children have been vaccinated for measles, averting approximately 400,000 deaths to date
- ◆ Over 300 chapters are involved in life-saving international programs (exceeding the FY08 target by 20%)
  - Chapters helped to deliver an estimated 9,100 messages & tracing cases during FY05

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## 5. More people are engaged in the mission of the Red Cross as volunteers, blood donors and financial donors.

Metric	FY05 Results	FY04 Results	FY08 Target	Progress
% of Americans who donated time, blood or financial resources in the past 12 months	2.9%	2.3%	5%	●

○ - Performance on track    - Needs improvement    ● - Target achievement at risk



- ◆ Increases in the numbers of individuals donating blood and financial resources outpace the reduction in the number of those volunteering time
- ◆ State of volunteerism at the American Red Cross is robust. Report released in March 2005 cites the following volunteer-related challenges
  - Volunteers are necessary for the American Red Cross to fulfill its mission
  - Volunteerism is a business imperative
  - The goal is volunteers in the right place at the right time with the right skill set
- ◆ Intent to donate money to disaster relief and to local chapters has risen and there has been a modest increase in the percent of the population that recalls a recent Red Cross request for donation.
  - The American Heart Association and the American Cancer Society continue to be the most likely to request donations
- ◆ The public's unaided recall of media stories about the American Red Cross remains strong, and media balance (recall of favorable versus unfavorable) remains overwhelmingly positive



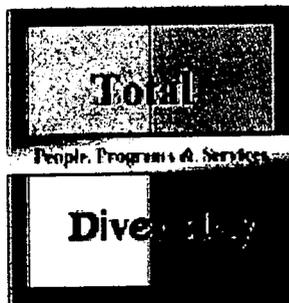
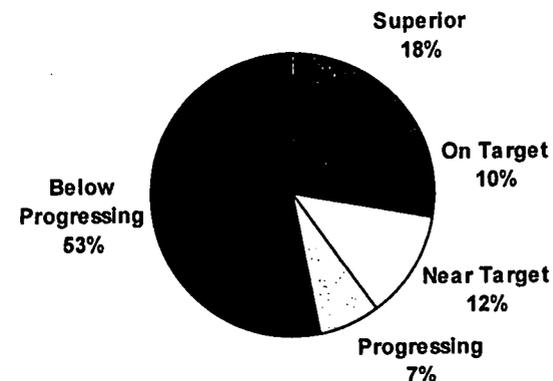
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## 6. The American Red Cross demonstrates sustained progress in ensuring it is representative of the communities it serves.

Red Cross Diversity ScoreCard Results FY05

Metric	FY05 Results	FY04 Results	FY08 Target	Progress
% of Red Cross units reaching overall Diversity Scorecard target for increased representation in diversity	28%	Scorecard designed/implemented for NHQ	75%	○

○ - Performance on track    - Needs improvement    ● - Target achievement at risk



- ◆ Diversity Scorecard was implemented for use by chapters in addition to the national headquarters
- ◆ The Extend Our Reach Strategic Project, focused on reaching underserved markets, furthered reached several important milestones:
  - Further outreach to Hispanic populations; progress in engaging Hispanic celebrities (e.g., Latin Grammy collaboration)
  - Expansion of an important relationship with Essence magazine and other efforts focused on African-American volunteerism, financial contributions and blood donations
  - Launch of an Asian-focused initiative
  - Increased programs and support for youth efforts
- ◆ Supplier Diversity Program increased the dollar value of contracts awarded to diverse suppliers by 60%
  - Rose from \$24.7 million in FY04 to \$39.7 million in FY05

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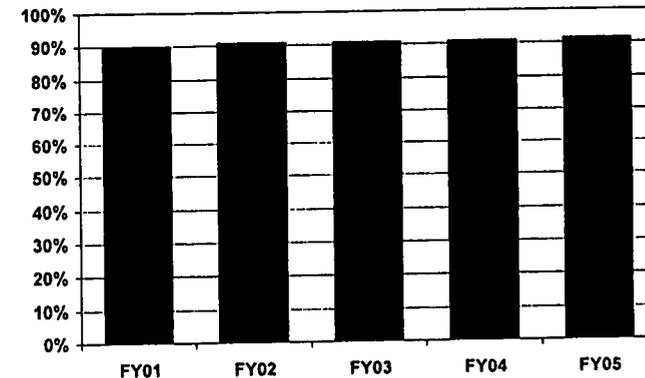
Together, we can save a life

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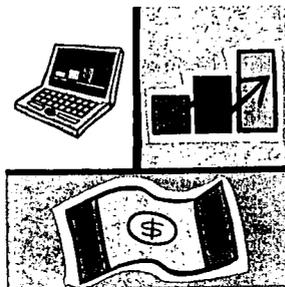
## 7. The American Red Cross is a leader in efficient administrative and fund-raising performance in order to maximize resources dedicated to programs and services.

Metric	FY05 Results	FY04 Results	FY08 Target	Progress
Program expense ratio for the entire American Red Cross	91.5%	91%	92%	●
Program expense ratio percentile for top 100 non-profits	TBD	77th	82nd	○
Fundraising costs per dollar raised	\$0.08	\$0.17	\$0.14	●

○ - Performance on track    - Needs improvement    ● - Target achievement at risk



Over \$0.91 of every dollar is dedicated to programs and services



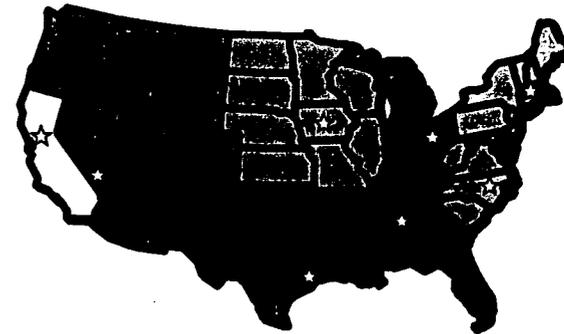
- ◆ Conducted a comprehensive review of national headquarters operations in order to realign our structure – and our direct resources – consistent with the agreed upon core functions of the headquarters
  - Resulted in the identification of approximately \$38 million in cost reductions
- ◆ Raised sufficient funds to cover the costs of domestic and international disasters
  - Secured \$70 million federal appropriation to partially offset the cost of response to fall hurricanes
  - Continued progress in collaborative fundraising efforts, growing long-term partnerships with major corporations for local and national initiatives
  - Donor utilization of online giving options continues to rise
- ◆ A total of 223 chapters are currently live on ATLAS with planned implementation of up to 300 more chapters in FY06
- ◆ Launched a comprehensive IT Recalibration project to address three critical areas: IT alignment with business units, IT structure and enterprise-wide technology costs

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## 8. The American Red Cross has a high-performing work force comprised of dedicated volunteers and employees who are committed to upholding the highest standards of conduct in the workplace.

Metric	FY05 Results	FY04 Results	FY08 Target	Progress
% of chapter executives and board chairs who have completed leadership orientation and development efforts	35% (597)	19% (318)	95%	●

○ - Performance on track    - Needs improvement    ● - Target achievement at risk



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- ◆ Fully implemented the Service Area structure in order to support and develop chapters
- ◆ Launched the new system of Chapter Performance Standards (CPS)
  - CPS was identified as a best-practice system among public sector and not-for-profit organizations
  - Post-implementation reviews are being conducted to identify the strengths – and areas of possible improvement – for both the Service Area structure and the CPS system
- ◆ Hundreds of Red Crossers were oriented during the past year through Chapter Executive and Chapter Chair Institutes;
  - Eight institutes held in Washington DC
  - Nearly 600 individuals (cumulative) have attended institutes through FY05
- ◆ Developed a proposed conceptual framework for Red Cross presence in every community
- ◆ Awareness of local chapters has been stable. Three-fourths of Americans are aware of the Red Cross providing services in their community and two-thirds are aware of a local office, branch or chapter



Together, we can save a life

# Satisfaction and Trust

Metric	FY05 Results	FY04 Results	FY08 Target	Progress
% of clients who achieve the stated outcomes of American Red Cross services	90%	88%	90%	●
% of clients who are highly satisfied with American Red Cross services	96%	96%	97%	●
% of Americans who have a high level of trust with the American Red Cross	82%	78%	85% - 90%	●

○ - Performance on track    - Needs Improvement    ● - Target achievement at risk

NOTE: Outcome achievement and satisfaction scores based on the % of survey respondents who "Agreed" or "Strongly Agreed". "Slightly Agreed" responses are not included.

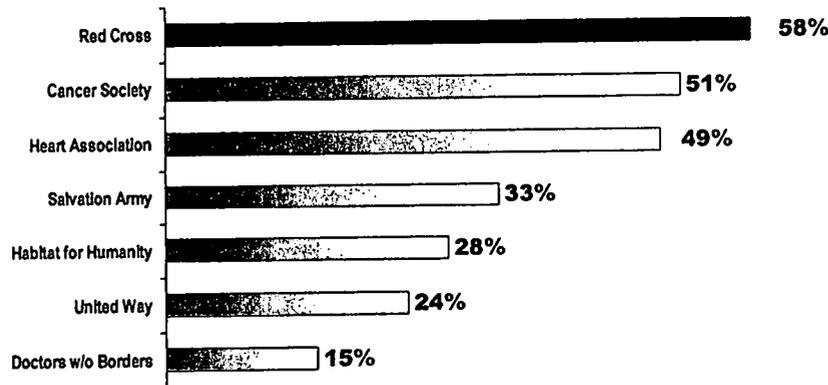
## Rising Perceptions of the Red Cross

- 71% believe the country needs the Red Cross more than ever
- 57% believe the Red Cross manages donated funds well
- 53% believe the Red Cross operates under strong management



SOURCE: Omnibus telephone survey of 1,000 U.S. Adults 18 years and older conducted January 2005 by ORC International. Results of a similar survey conducted in September 2005 show these trends increasing further.

## Red Cross Is Most Relevant



SOURCE: Routine tracking polls, Omnibus telephone surveys of 1,000 US adults 18 and older, ORC International.

- ◆ Two-thirds of the general public believe that when you help the American Red Cross, you help America.
- ◆ Public trust in the American Red Cross rose to 82 percent during FY05 which was a high point that had not been reached since September 2001
- ◆ Red Cross ranks second in overall public confidence
  - 91 percent of respondents have "a great deal" or "a fair amount" of confidence in the American Red Cross
  - "Firefighters" are the only group to exceed that amount
- ◆ The quality and effectiveness of Red Cross services continues to improve, as measured by customer surveys
- ◆ Estimated that 700 chapters participated in the national customer satisfaction and effectiveness survey process

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**End**

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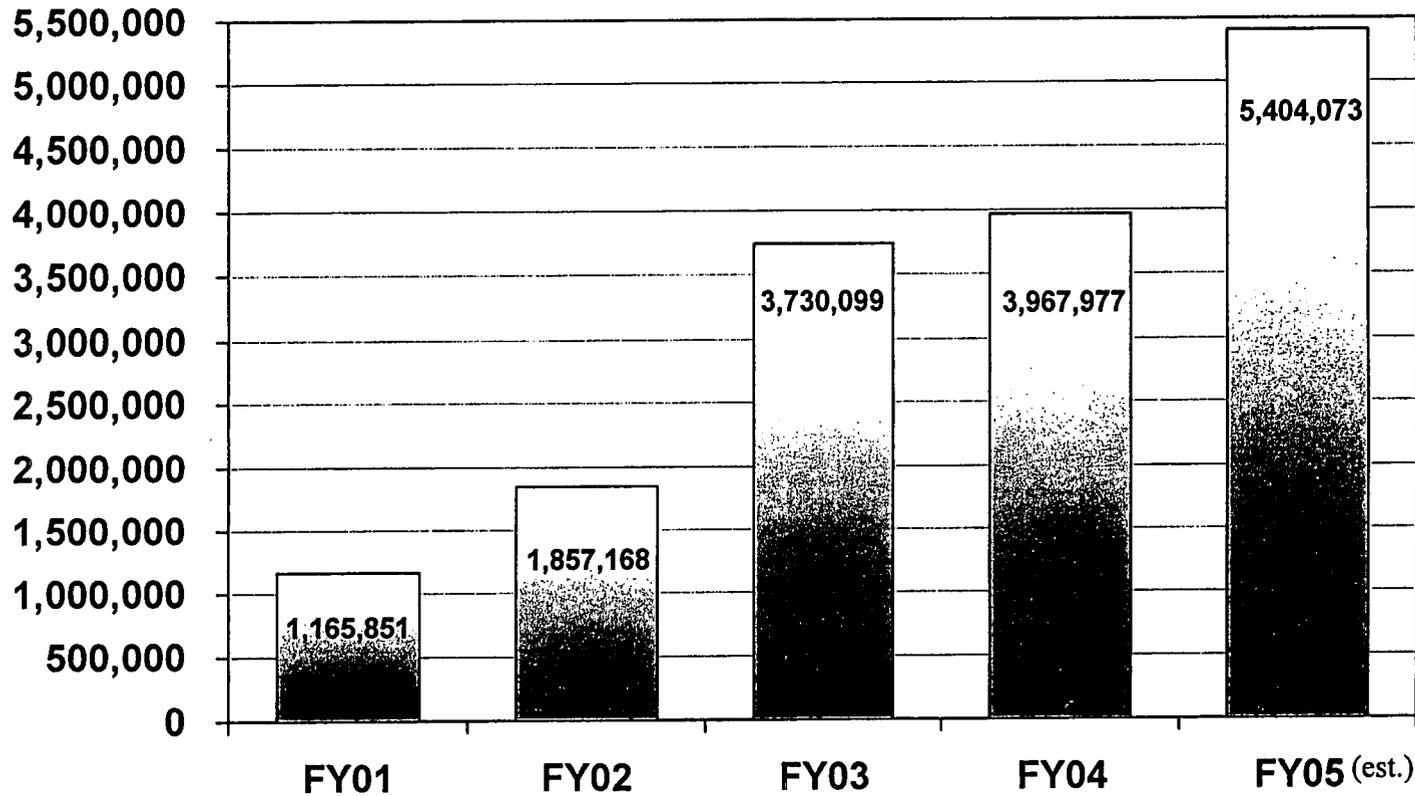


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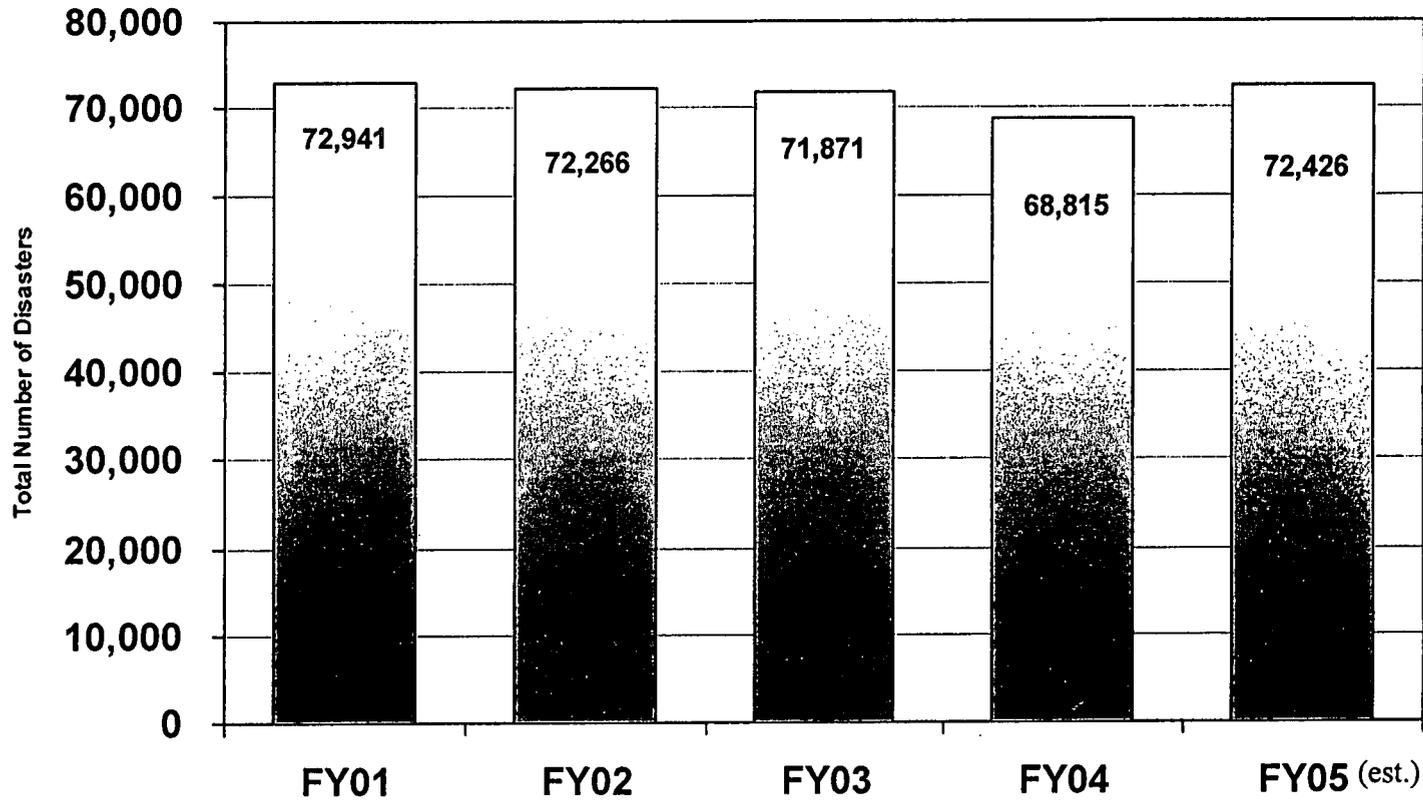
# Number of People Attending Preparedness Education Courses



## Number of People Attending Preparedness Education Courses

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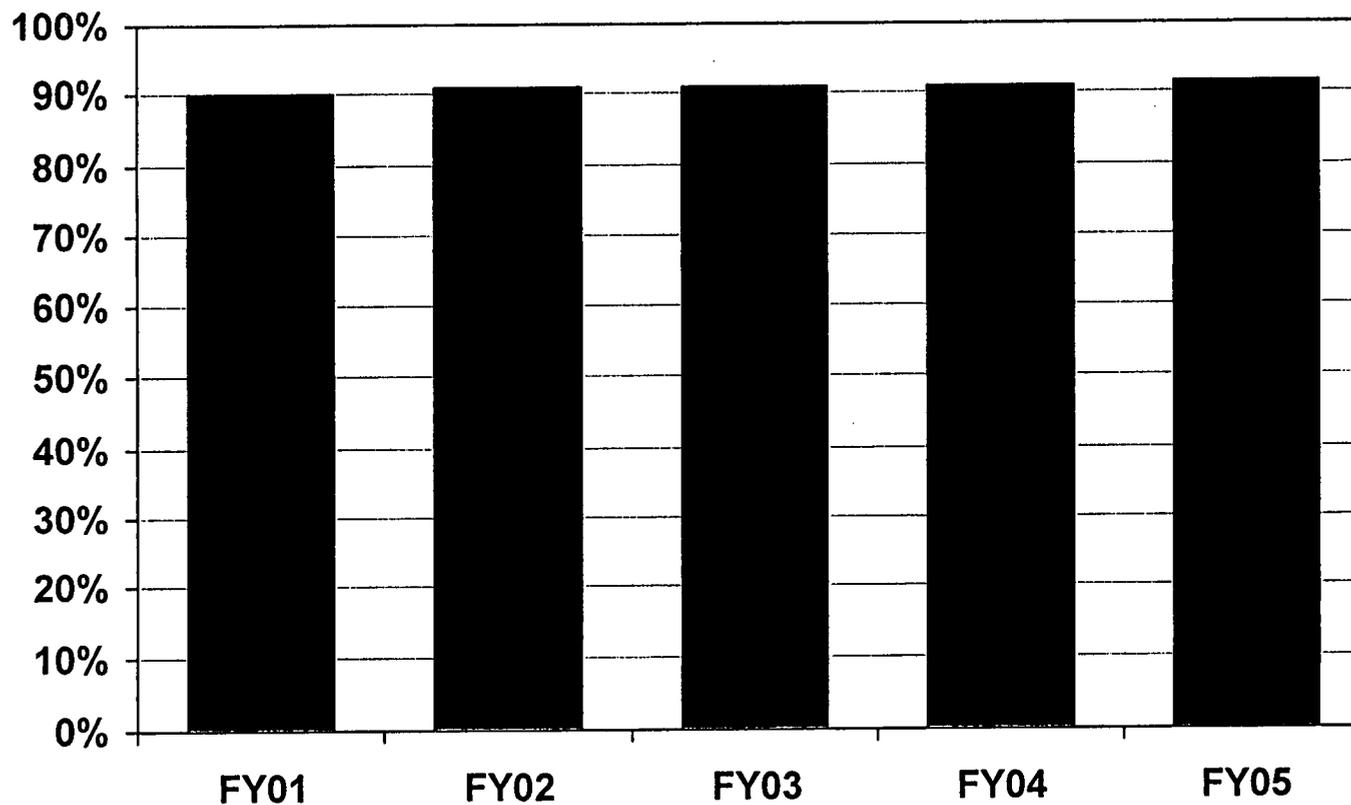
# Number of Disaster Operations



## Number of Disaster Operations

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# Program Expense Ratio

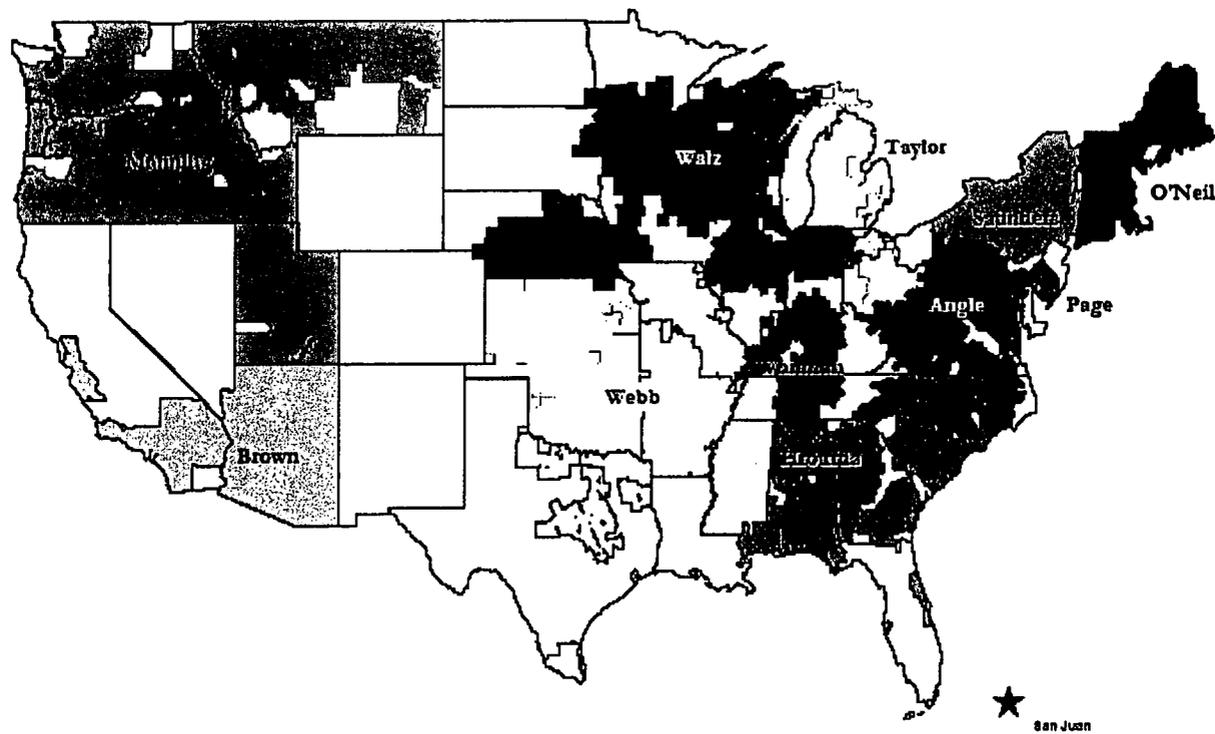


**\$0.91 of every dollar is dedicated to programs and services**

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# Biomedical Services

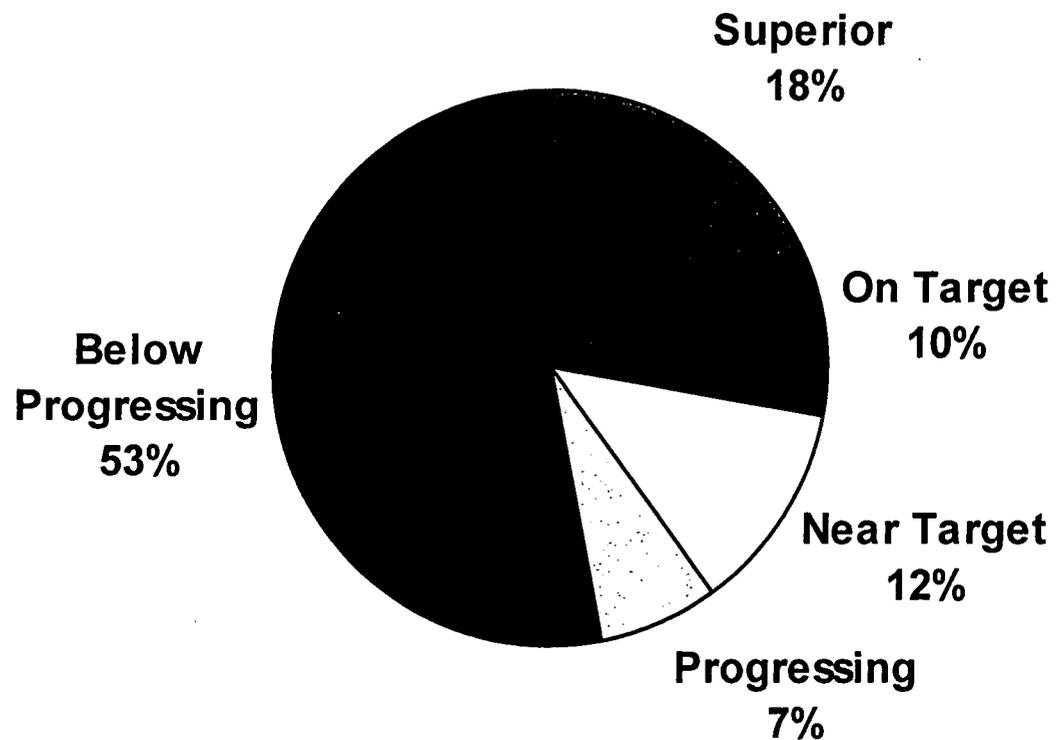
FY05 Divisions



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# Red Cross Diversity ScoreCard Results FY05



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**2.** How would you rate the relationship between the Board and senior management in the following areas?

*The top percentage indicates total respondent ratio; the bottom number represents actual number of respondents selecting the option*

	1 Well Below Expectations	2 Below Expectations	3 Meets Expectations	4 Above Expectations	5 Well Above Expectations
1. There is mutual trust between the Board and senior management	0% 0	15% 3	50% 10	25% 5	10% 2
2. The Board supports senior management	0% 0	0% 0	25% 5	45% 9	30% 6
3. The Board challenges senior management	0% 0	5% 1	60% 12	25% 5	10% 2
4. The Board evaluates the president and CEO annually and has a process in place to provide candid feedback	0% 0	5% 1	30% 6	20% 4	45% 9

**3.** How would you rate the Board's review of significant risk exposures?

	Number of Responses	Response Ratio
Well Below Expectations	0	0%
Below Expectations	6	30%
Meets Expectations	8	40%
Above Expectations	5	25%
Well Above Expectations	1	5%
<b>Total</b>	<b>20</b>	<b>100%</b>

**4.** How would you rate the Board's participation in the following areas related to financial and regulatory oversight?

*The top percentage indicates total respondent ratio; the bottom number represents actual number of respondents selecting the option*

	1 Well Below Expectations	2 Below Expectations	3 Meets Expectations	4 Above Expectations	5 Well Above Expectations
1. The Board reviews and approves annual operating plans and annual budget	0% 0	5% 1	40% 8	40% 8	15% 3
2. The Board monitors key financial indicators	0% 0	15% 3	40% 8	30% 6	15% 3
3. The Board provides oversight of compliance with state and federal laws affecting ARC's work	0% 0	11% 2	47% 9	32% 6	11% 2

**5.** How would you rate the Board in the following areas related to fund raising?

*The top percentage indicates total respondent ratio; the bottom number represents actual number of respondents selecting the option*

	1 Well Below Expectations	2 Below Expectations	3 Meets Expectations	4 Above Expectations	5 Well Above Expectations
1. The Board regularly reviews fund-raising plans and assesses performance against the plan	0% 0	40% 8	25% 5	35% 7	0% 0
2. The Board is regularly informed about the sources of funds and understands the fund-raising strategy for the organization	5% 1	30% 6	50% 10	10% 2	5% 1
3. Board members, individually, understand the obligation to participate in fund raising and financially support the organization	0% 0	21% 4	47% 9	26% 5	5% 1
4. The Board has a policy on the individual Board member's responsibility to make a financial contribution	5% 1	15% 3	30% 6	25% 5	25% 5

**6. How would you rate the the following areas related to Board member development?**

*The top percentage indicates total respondent ratio; the bottom number represents actual number of respondents selecting the option*

	1 Well Below Expectations	2 Below Expectations	3 Meets Expectations	4 Above Expectations	5 Well Above Expectations
1. Orientation of new Governors is effective and informative	0% 0	15% 3	50% 10	25% 5	10% 2
2. The Mentor Program provides information that helps new Governors better understand and fulfill their responsibilities	10% 2	19% 4	57% 12	10% 2	5% 1

**7. How would you rate the effectiveness of Board meetings in the following areas?**

*The top percentage indicates total respondent ratio; the bottom number represents actual number of respondents selecting the option*

	1 Well Below Expectations	2 Below Expectations	3 Meets Expectations	4 Above Expectations	5 Well Above Expectations
1. The Board focuses on appropriate governance issues	0% 0	0% 0	53% 10	42% 8	5% 1
2. The Board receives clear, concise and relevant read-ahead information in a timely manner	0% 0	15% 3	50% 10	25% 5	10% 2
3. Timely resolution of issues occurs at meetings	0% 0	15% 3	35% 7	45% 9	5% 1
4. Executive sessions are candid and constructive	5% 1	0% 0	37% 7	37% 7	21% 4

**8. How would you rate the effectiveness of committee meetings in the following areas?**

*The top percentage indicates total respondent ratio; the bottom number represents actual number of respondents selecting the option*

	1 Well Below Expectations	2 Below Expectations	3 Meets Expectations	4 Above Expectations	5 Well Above Expectations
1. The current committee structure is appropriate	0% 0	0% 0	45% 9	40% 8	15% 3
2. Committee meetings focus on strategic issues	0%	20%	25%	50%	5%

	0	4	5	10	1
3. Committee members contribute to discussion in a meaningful way	0%	5%	25%	60%	10%
	0	1	5	12	2
4. Committee meetings are conducted with open communication	0%	10%	35%	50%	5%
	0	2	7	10	1
5. Timely resolution of issues occurs at committee meetings	0%	11%	42%	37%	11%
	0	2	8	7	2
6. The number of committee meetings per year is effective	0%	5%	60%	30%	5%
	0	1	12	6	1
7. Adequate time is allowed for committee meetings	5%	10%	55%	25%	5%
	1	2	11	5	1

**9. How would you rate the effectiveness of the Executive Committee in the following areas?**

*The top percentage indicates total respondent ratio; the bottom number represents actual number of respondents selecting the option*

	1 Well Below Expectations	2 Below Expectations	3 Meets Expectations	4 Above Expectations	5 Well Above Expectations
1. The Executive Committee effectively manages as delegated by the full board.	0%	5%	45%	30%	20%
	0	1	9	6	4
2. The Executive Committee effectively reports its discussions to the full board.	5%	15%	55%	20%	5%
	1	3	11	4	1
3. The role of the Executive Committee is appropriate and is, therefore, an essential part of the board.	0%	0%	35%	45%	20%
	0	0	7	9	4

**10. How would you rate the effectiveness of the Board in the following areas?**

*The top percentage indicates total respondent ratio; the bottom number represents actual number of respondents selecting the option*

	1 Well Below Expectations	2 Below Expectations	3 Meets Expectations	4 Above Expectations	5 Well Above Expectations
1. The Board effectively manages its leadership and succession planning	0%	25%	55%	20%	0%
	0	5	11	4	0
2. Overall, the Board is effective	0%	5%	40%	45%	10%
	0	1	8	9	2

**11. What additional comments or suggestions would you like to offer?**

 16 Responses





**American  
Red Cross**

National Headquarters  
Office of the President and CEO

3713

*Together, we can save a life*

**To:** Chairman McLaughlin and  
Members of the Board of  
Governors  
Non-Governor Biomedical  
Services Board Members

**Date:** September 12, 2002

**From:** Marty Evans

**Subject:** Washington Post story

Gilbert Gaul and Mary Pat Flaherty, *Washington Post* reporters who have extensively covered Biomedical Services issues in the past, are writing a story for publication the week of September 16, 2002, about Red Cross Blood Services. The story will be an analysis of changes within the blood banking community since the September 11<sup>th</sup> terrorist attacks, and a review of the Red Cross's ongoing Consent Decree litigation, highlighting the inspection of the Greater Chesapeake and Potomac Region's recent FDA inspection.

We will work with these reporters to provide balance regarding the issues of outdated blood products, the Red Cross's frozen blood reserve and our efforts to work collaboratively with the blood banking community on managing future disasters. With respect to the Consent Decree, as you know, we are limited to what we can say due to the pending litigation. However, we will continually emphasize that we share a common goal with the Food and Drug Administration (FDA) – to build and maintain the safest possible blood supply.

We will use existing talking points on the other identified topics and these messages are attached. Should you have questions regarding our strategy, please contact me at (202) 639-3292.

Attachments

Talking Points  
September 2002

Consent Decree

- The nation's blood supply has never been safer. Technological advancements in blood testing and the dedication of thousands of volunteer and paid staff have raised its quality to new heights in recent years.
- The Red Cross shares a common goal with the Food and Drug Administration -- providing the safest possible blood components to patients.
- Our priority is to achieve resolution with the FDA.
- The FDA and the American Red Cross agree: The blood supply is safer than it has ever been in our nation's history. In fact, in a recent FDA statement, the agency said, "Patients requiring blood transfusions should not hesitate to receive blood."
- The American Red Cross is committed to continuing to work in partnership with the FDA to make the blood supply safer than ever before.
- Due in no small part to the \$287 million the Red Cross has invested in its biomedical operations since 1993, the number of FDA observations has decreased by more than 80 percent since the signing of the Consent Decree.
- The Red Cross continues to invest in its biomedical operations to meet the highest quality and regulatory standards. This ongoing effort emphasizes quality improvement, information technology and processing/supply chain infrastructure.
- The American Red Cross has provided humanitarian service to our nation since 1881 and has been the leading

Outdating Blood Products

- In the weeks following the terrorist attacks, the American Red Cross hoped for the best and prepared for the worst.
- The Red Cross outdated approximately 5 percent of the red blood cells it collected in the weeks following the September 11th attacks. (Red Cross collected more than 925,000 units of blood, and approximately 49,000 were outdated, meaning their useful shelf life of 42 days expired before they were needed.)
- This means the Red Cross experienced only a slightly higher outdate rate than the average 1 to 3 percent during normal circumstances.

### Strategic Blood Reserve

- The strategic blood reserve has three components: frozen reserve, liquid reserve (national inventory) and walking reserve (a corps of volunteer blood donors).
- The American Red Cross has frozen more than 9,000 units of type O red blood cells since the September 11th attacks. These units are still viable and available for use today. Frozen products have an extensive shelf-life, but under current technology, must be used within 24 hours of thawing. Currently we are working with a manufacturer to run trials on equipment that would allow blood to be used for up to 14 days upon thawing. We hope to have approval for this technology within the next year-and-a-half.
- The Red Cross has the capacity (equipment, supplies, etc.) to freeze up to 100,000 units. However, due to the limited shelf-life upon thawing, the Red Cross has slowed down its frozen reserve efforts until new technologies allow for a longer shelf life after blood is de-thawed.

### September 11<sup>th</sup> Lessons Learned

- In the year following September 11, 2002, the most important "lessons learned" in the blood banking community have been an understanding that we must work collaboratively and a consensus among government and blood suppliers that we must significantly increase the daily inventory of blood components if we are to be adequately prepared.
- The Red Cross is part of the AABB's Inter-Organizational Task Force on Domestic and International Disasters to help ensure we are prepared for any and all hazards, by maintaining an adequate inventory (at least seven days) at all times.
- For the first time, through the Task Force, the entire blood banking community and public health officials will have an effective means of:
  - Assessing the need for blood donations following a mass casualty event;
  - Coordinating public messaging of the need for blood donations; and
  - Coordinating the transportation of blood components where needed

*Folded*



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

**-- CONFIDENTIAL --**

To: Board Leadership Subcommittee  
Eddy Quijano  
Fred Grein  
Pat Kennedy

From: David T. McLaughlin  
Chairman

Subject: ARC Strategy for the Future

Date: February 28, 2002

This is the confidential report I referred to in my fax dated February 28, 2002.

Enclosure

cc: Harold Decker

*Together, we can save a life*

SFC-ARC-A001078





## Survey Results (Included Responses)



### Board of Governors Self-Assessment Questionnaire 2005

Go to Individual Complete Responses:

Show respondent's emails.

**INCLUDED RESPONSES**

**EXCLUDED RESPONSES**

22

Included Respondents:

0

Excluded Respondents:

Report created on: Monday, October 17, 2005 1:18:00 PM

The results of your survey are displayed below. If your survey includes text responses, click the "View" button to read individual results. To exclude a particular response, click the Included Responses button. You can then view the set of individual responses that are currently included and select those you wish to exclude. Results below contain only Included responses

**EXCLUDE BLANK RESPONSES**

Launch Date 10/04/2005 - 4:27 PM

Modified Date

Close Date

Email Invites 0

Visits 40

Partials 0

Completes 22

- Cross Tabulate  
Cross reference multiple questions
- Download Results  
Receive results in spreadsheet format

Responses:  Completes only  Partials only  Completes & Partials

#### 1. How would you rate the following areas related to the Board's roles and responsibilities?

*The top percentage indicates total respondent ratio; the bottom number represents actual number of respondents selecting the option*

	1 Well Below Expectations	2 Below Expectations	3 Meets Expectations	4 Above Expectations	5 Well Above Expectations
1. Governors understand the unique governance/management role	0% 0	5% 1	33% 7	52% 11	10% 2
2. The Board reviews the long-range strategic plan regularly and assesses its achievement	0% 0	15% 3	45% 9	40% 8	0% 0
3. The Board has effective procedures and standards to minimize and disclose conflicts of interest	0% 0	0% 0	20% 4	35% 7	45% 9



# American Red Cross

Office of the General Counsel

National Headquarters  
Washington, DC 20006

To: David T. McLaughlin, Chairman  
Executive Committee

Date: September 16, 2002

From: Marty Evans, CEO 

Subject: Interim Officer Assignments

This Friday, Harold Decker will announce his resignation so that he may fully devote himself to family commitments. I have asked Larry Moore to serve as Interim General Counsel and Andrea Morisi to serve as Interim Corporate Secretary.

Larry Moore joined Red Cross on June 4, 2001 after 24 years with the Pharmacia Corporation. I have worked closely with Larry since my arrival and have great respect for his legal abilities and business acumen. In addition to being an experienced counselor on complex corporate transactions and FDA regulatory affairs, Larry is skilled in risk assessment, crisis management and communications. He is highly successful in building business legal teams, coordinating with top level executives and managers, problem solving, and strategizing business solutions. Prior to joining Pharmacia, Larry worked for the Department of Justice. Since Larry joined Red Cross, he has been working closely with Ramesh Thadani and Gary Dolch on the Consent Decree mediation. He ably served as Interim General Counsel during Harold's tenure as Interim President and CEO.

Andrea Morisi has been with the American Red Cross since 1990 and currently holds the position of Senior Counsel. From March 2000 through May 2001, she served as the Corporate Secretary. She has been instrumental in providing continuity to the legal office and corporate secretary function following numerous personnel changes. Andrea served as Interim Corporate Secretary during the period that Harold served as Interim President and CEO, and she has continued to capably perform the duties of this position since that time.

I have confidence in each of these individuals and ask that you support both through the transition period. Pursuant to the Bylaws Sections 6.4 and 6.6, the CEO appoints these officer positions with approval by the Board of Governors. Please indicate your approval on these interim officer appointments below and return to Carolyn Prevatte's attention.

Name: \_\_\_\_\_

\_\_\_\_\_

Agree with appointments

\_\_\_\_\_

Disagree with appointments

Please return by fax to (202) 783-3432 by September 20, 2001

SFC-ARC-A001074



## RESOLUTION REGARDING DISASTER SERVICES

The Board of Governors acknowledges that disaster services are the core mission of the American Red Cross, and hereby resolves that management should pursue the timing and substance of the recommendations of the Disaster Services Task Force and develop a client-focused disaster services delivery structure that facilitates flexible, decentralized decision-making, capacity building and the application of appropriate uniform standards throughout the country.

## RESOLUTION REGARDING INTERNATIONAL SERVICES

The Board of Governors hereby resolves that international services are a Charter mission of the American Red Cross.

Through expanded targeted international projects, our image and credibility with the public, both American and international, and our reach to diverse audiences, youth, volunteers and donor bases will be improved.

Therefore, based upon recommendations of the International Services Committee, sufficient funding should be allocated for financial development focused on potential internationally oriented major donors. Appeals to support international services shall be coordinated with appeals to support all other lines of American Red Cross service to ensure domestic fundraising is not adversely impacted. The impact of international services appeals shall be reviewed annually.

SFC-ARC-A001073

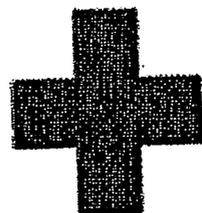
D

8000 SERIES  
30% P.C.W. RECYCLED

882

002

09/16/02 10:03 AMERICAN RED CROSS->Prevatte,Carolyn  
09/16/02 12:16 FAX 202 639 3267 ARC MARKETING



**American Red Cross**

*Together, we can save a life*

# Board of Governors Retreat

September 12 – 14, 2002

SFC-ARC-A001064

# Retreat Process

- Candid dialogue and sharing of diverse view points
- Volunteer leaders working in partnership with staff

Chairman ---- President & CEO

Governors ----- Senior Management

- Thoughtful deliberation of issues ranging from: lessons learned 9-11, media coverage, economic situation, volunteer participation, chapter and national funding



# Retreat Outcomes

## Affirmed:

1. **Disaster preparedness and response as core mission of the American Red Cross**
  - Directed management to begin the process of implementation of the Disaster Services Task Force recommendations.
  - Acknowledged American Red Cross' leadership role in national and community collaboration.
2. **International Services is key service under our Congressional Charter requiring a more focused effort**

# Building Consensus

Achieving our mission will be dependent on:

- Identifying new resource streams requiring national and chapter collaboration
- Recruiting, developing and retaining more volunteers ensuring they represent our national diversity
- Developing additional leadership skills especially in volunteer and staff ranks
- Establishing and strengthening collaboration with other service organizations, both non-profit and governmental

# Next Steps: Strategic Plan

- Develop with input from staff and volunteers at all organizational levels
- Gather input through a range of settings including using technology; details will be announced in the near future
- The Strategic Plan will be finalized by 2003 National Convention

TOGETHER, WE CAN SAVE A LIFE



# Additional Points

- President/ CEO briefed the Board on initial month in office; including plans to continue to develop a strong dialogue with the field.



09/16/02 10:18 AMERICAN RED CROSS->Prevatte,Carolyn

09/16/02 12:33 FAX 202 639 3267 ARC MARKETING

# Additional Points

## Senior staff appointments:

- Executive Vice President Disaster Services- Terry Sicilia
- Senior Vice President Communication and Marketing to be announced by September 18

Together, we can save a life



Together, we can save a life

# Magen David Adom

- The American Red Cross continues its position on withholding the bareme to the International Federation of Red Cross and Red Crescent Societies.
- Recent policy reiterated our strong support for inclusion of Magen David Adom (MDA), as well as the Palestine Red Crescent, in the International Movement while allowing withheld funds to be applied to immediate humanitarian assistance.
- Progress is being made within the Movement to include MDA in Federation activities while the diplomatic solutions move forward.



# Convention

- The Board approved San Francisco as the site of the 2005 Convention and agreed that every 4<sup>th</sup> year, beginning in 2006, Convention will be held in Washington, DC.

Together, we can save a life



*Together, we can save a life*

National Headquarters  
430 17<sup>th</sup> Street, N.W.  
Washington, DC 20006  
[www.redcross.org](http://www.redcross.org)

Contact: Phil Zepeda  
Phone: (202) 639-3308  
Pager: (888) 328-5506  
[zepedap@usa.redcross.org](mailto:zepedap@usa.redcross.org)

## NEWS RELEASE

### AMERICAN RED CROSS OFFERS ADVICE ON PERSONAL PREPAREDNESS FOR NEW NATIONAL THREAT CONDITIONS

*Assembling a disaster supply kit and developing a family communication plan are key*

WASHINGTON, September 10, 2002—With new concerns of possible threats to the country, the American Red Cross offers practical guidance on how families can prepare for unexpected events and reduce the stress that many may feel now and later should an emergency arise.

The Red Cross urges the public to prepare for whatever emergency may bring by sharing these safety tips with their loved ones:

- **Be alert to suspicious activity and report it to proper authorities**
- **Develop emergency communication plan**  
Talk with family/neighbors/friends and ensure that telephone numbers and e-mail addresses are up to date and determine an out-of-town contact your family or household with whom to communicate
- **Establish a family meeting place**  
This will save time and minimize confusion should your home be affected or area evacuated
- **Assemble a disaster supplies kit and ensure it is stocked and ready**  
Should you need to evacuate your home or are asked to "shelter in place," having some essential supplies on hand will make you and your family more comfortable
- **Develop alternate routes to/from work/school and practice them**  
Having alternate routes and plans in place will reduce confusion and risk
- **If a need is announced, donate blood at designated blood collection centers or call 1-800-GIVE-LIFE**
- **Provide volunteer services and take advantage of additional volunteer training opportunities with your local Red Cross chapter**

"Everyday people turn to the Red Cross to offer guidance and support on keeping families safe and now more than ever, families need practical, yet detailed information on what they can do to feel prepared and secure for any type of emergency situation," said Marty Evans, president and CEO of the American Red Cross. "Red Cross chapters and our web site ([www.redcross.org](http://www.redcross.org)) offer a wide variety of information for individuals, families, neighborhoods, schools and businesses to better prepare for events today and always."

The American Red Cross is dedicated to saving lives, easing suffering and restoring hope at home and around the world. Currently operating on a budget of \$3 billion, the Red Cross annually mobilizes relief to the victims of more than 73,000 disasters nationwide and has been the primary supplier of lifesaving blood and blood products in the United States for more than 50 years. In 2000, the Red Cross also trained almost 12 million people in vital lifesaving skills, provided direct health services to nearly 2.6 million people and delivered more than 21 million locally relevant community services. The organization also assisted international disaster and conflict victims in close to 40 locations around the globe, and its emergency communication centers processed 1.2 million calls in support of U.S. military service members and their families.

- End -

SFC-ARC-A001107



**American  
Red Cross**

National Headquarters  
Office of the President and CEO

Together, we can save lives

*To Board  
re latest  
for Med. Story*

To: Cha  
Mer  
Gov  
Nor  
Ser

*in press*

September 9, 2002

From: Marty Evans

Subject: Cox Newswire Service

Two reporters for Cox Newswire Service (which includes the *Atlanta Journal Constitution*, *Dayton Daily News* and the *Palm Beach Post*) wrote a story that published Sunday, September 8, about blood products collected around the September 11<sup>th</sup> attacks that were not used for transfusion. The story, attached, highlights outdated of blood products that expired before hospitals were able to use them (roughly five percent of the donations collected), and distribution of the plasma portion that is further manufactured into lifesaving products for the treatment of hemophilia, primary immune deficiency, and often, burn victims. While plasma is a byproduct of blood, it has tremendous lifesaving potential, and we have emphasized this with the reporters.

In 2001, the Red Cross processed 1.45 million liters of plasma and shipped 450,000 liters of plasma to a contracted company in Berne, Switzerland for the processing and production of these lifesaving products (IVIG and Factor VIII). The manufacturer then ships these products back to the Red Cross for distribution. While we are not certain which product will be focused on in this article, special attention was paid to Factor VIII, for which there is excess supply. That excess supply is distributed on a sales and humanitarian (donation) basis to various countries around the world. We also provided red cells, platelets, plasma and cryoprecipitate to patients in American territories and other countries in need, including a country near Ethiopia. These needs are met in accordance with our governing policies *only after Americans needs have been satisfied*. It is unfortunate the reporters did not accurately portray this fact, after the hours we spent educating them about our processes.

Plasma fractionation has not been widely discussed in national media stories to date, although many Blood Services regions present information about this humanitarian service to donors, sponsors, hospitals and other interested parties on an ongoing basis. (For more details, please see the attached backgrounder).

We provided additional information to our field units late Friday night and preliminary searches show the story ran in only a few small daily newspapers.

If you have questions regarding our strategy, please contact me at (202) 639-3292.

Attachments

## Plasma Domestic Distribution Policy

The American National Red Cross ("Red Cross") has been serving the needs of the American public for many years. We have been charged with the specific mission of fulfilling the needs of the American people for the safest blood, plasma and tissue products. Red Cross proudly provides these life-saving products to Americans in need.

In serving the needs of the American people, the Red Cross collects plasma each year from voluntary donors throughout the United States and Puerto Rico. In 2001, Red Cross processed 1.45 million liters of plasma on an annualized basis. Plasma separated from the blood of Red Cross volunteer donors is "fractionated" and processed into various derivatives. Fractionation is a complex process that runs the plasma through a series of manufacturing steps to separate the various components of plasma. Biomedical Services does not manufacture these products itself. We have established agreements with external pharmaceutical companies to take the plasma collected by the Red Cross and manufacture it into the products that we provide.

Red Cross has long-term contractual arrangements with plasma manufacturing facilities in California and Switzerland to process life-saving products for the treatment of hemophilia, primary immune deficiency, and often, burn victims. In accordance with these contracts, the Red Cross ships 450,000 liters of plasma annually to ZLB Bioplasma in Berne, Switzerland for the processing and production of Albumin and immune globulin intravenous ("IGIV") products. ZLB Bioplasma then *ships these products back* to the Red Cross for *exclusive distribution* in the United States for the American people.

In addition, the Red Cross ships 1 million liters of plasma to Baxter Healthcare Corporation ("Baxter") in Glendale, California for the similar type of processing and production of Albumin and IGIV products. The Red Cross distributes 100% of this Albumin and IGIV product in the United States.

Baxter also produces Factor VIII for the Red Cross. The Red Cross distributes approximately 85% of this Factor VIII in the United States, and then donates or distributes the remaining 15% of Factor VIII abroad. The Red Cross proudly fulfills the United States market demand, and then donates or distributes any excess Factor VIII abroad. As a humanitarian ambassador for the United States, the Red Cross has donated Factor VIII to many countries, including Argentina, Bolivia, Brazil, Chile, Columbia, the Dominican Republic, Guatemala, India, Indonesia, Mexico, Nicaragua, the Philippines, Poland, Russia, Thailand, Uruguay and Venezuela. These donations prevented outdated of the excess Factor VIII, and provided a life-saving product for people in need.

The Red Cross has proudly provided humanitarian service to our nation since 1881 and has been the leading provider of America's blood supply for more than 50 years. The nation's blood supply has never been safer. Every two seconds, someone in America needs blood. The Red Cross is committed to safely and effectively helping to fill this critical need. This is made possible through the dedicated support of thousands of staff and volunteers, sponsor groups and blood donors. *Together, we can save a life.*

## **Donated blood sold off overseas after 9/11**

Christine Stapleton and Elliot Jaspin - Cox News Service

Sunday, September 8, 2002

In the hours and days just after the Sept. 11 attacks --- before the celebrity telethons, the firefighter boot drives and the run on flags --- tens of thousands of patriotic Americans rolled up their sleeves and gave blood.

So many gave that the blood industry, accustomed to begging for donations, could hardly handle the unprecedented generosity. Blood banks ran out of blood bags. Refrigerators quickly filled. Laboratories worked around the clock.

Still, with few survivors needing blood and the clock ticking on their perishable inventory, the blood banks did what they routinely do --- they sold American blood products overseas to multinational drug companies and other countries.

The blood donations of September 2001 became a trade bonanza in October, when the U.S. exports of blood products jumped 48 percent to \$90 million, the highest monthly total on record, according to Commerce Department records. By the end of 2001, the United States had exported 7,629 tons of blood products, a 25 percent increase from the previous year.

Exactly how much money the American Red Cross and members of America's Blood Centers --- the nonprofit organizations that collect most of America's blood --- made on Sept. 11 blood products isn't yet clear from public records and information provided by the groups. Commerce Department records, for example, do not include a breakdown of which groups or companies exported the blood products.

Scott Caswell, a spokesman for America's Blood Centers, said the members of his organization actually lost money because of Sept. 11. While he cited no figures, he said the cost of collecting blood on a crash basis outweighed proceeds of any blood products.

If and when there is a financial accounting, however, those who know the industry fear there will be a psychological fallout, and perhaps even an economic one, to the overcollecting, destroying and exporting of Sept. 11 blood products.

"When you overcollect, people get irritated if they think you have thrown away their gift or in essence sold it somewhere else," said Arthur Caplan, a University of Pennsylvania bioethicist and former chairman of the Department of Health and Human Services' Advisory Committee on Blood Safety. "The altruism behind blood donations is fragile enough as it is, and it is a huge risk to the integrity of the blood supply, which is vital to every American."

### Appeals continued

Within a day of the attacks, blood centers realized they were collecting far more blood than they could possibly use. America's Blood Centers issued a press release Sept. 12 asking people to delay giving blood. But the Red Cross continued to appeal for blood, even after federal officials asked them to stop Sept. 14.

Dr. Bernadine Healy, then head of the Red Cross, told The Palm Beach (Fla.) Post in August that she refused to turn donors away because she believed the Red Cross' congressional charter required it to provide blood to the military and the nation's hospitals in times of emergency.

The glut of blood also provided Healy the opportunity to push her controversial proposal to create a 100,000-unit national frozen blood supply for preparedness for future terrorist attacks.

Healy resigned in December after bitter relations with the group's directors, including rejection of her plan for the frozen blood supply.

"Seeing the White House evacuated, working around the clock . . . we were working as if in a new kind of war," Healy said. "We were not ready and we were getting ourselves ready. The other blood banks did not have those obligations."

Some industry analysts suggest, however, that the Red Cross continued drawing blood because it feared that donors, moved by the smoldering rubble in Washington and New York, wouldn't return later.

#### Red Cross' lifeblood

And selling blood and blood-derived products is the Red Cross' biggest money-maker, netting the group \$1.6 billion of its total \$2.7 billion in revenue in the fiscal year 2000-2001, according to its tax records.

The Red Cross says the documents showing how much the nonprofit group made from the budget year that includes the post-Sept. 11 blood supply have not been completed.

Few American blood donors know that the buying and selling of the blood they freely give is part of a huge international trade.

The plasma products market alone is about \$6 billion worldwide, with nonprofits such as the Red Cross, accounting for nearly 20 percent, according to Patrick Robert, president of the Market Research Bureau, a market research firm that has monitored the plasma industry for nearly 30 years.

But donors often are led to believe their blood is going to stay in their community or, at least, their country.

On its Internet site, the Red Cross says the blood is "distributed" and "delivered" to "hospitals nationwide." There is no mention of blood products sold on foreign markets.

"It's one of those questions that people in blood worry a lot about," said Jane Piliavin, professor of sociology at the University of Wisconsin and another former member of the Health and Human Services committee on blood safety.

"They worry about it so much that they prefer people don't talk about it. They don't want people thinking about blood as a business, but it is a business."

But Red Cross officials say they assume that donors understand their blood could be used for any emergency anywhere. The Red Cross logo is the most recognizable logo in the world, and its mission has always been international emergency relief, said Trudy Sullivan, Red Cross vice president of communications.

"There's no guarantee that the blood will go to the patient you're focusing on in a disaster," Sullivan said. "You're contributing to a community supply, a national supply and an international supply."

**American  
Red Cross**

National Headquarters

*Together, we can save a life*

**To:** Chairman McLaughlin and  
Members of the Board of  
Governors

**Date:** September 6, 2002

**From:** Deborah Daley  
Interim Senior Vice President  
Communication and Marketing  
Darren Irby  
Vice President  
External Communication

**Subject:** New September 11 Communication  
Materials

We wanted to make sure that you were aware that several new American Red Cross/September 11 commemoration support items have recently made available.

Communication and Marketing has created a report and corresponding press release titled: *September 11, 2001: Unprecedented Events, Unprecedented Response – A Review of the American Red Cross' Response in the Past Year*. These materials highlighting our response are posted online at [http://www.redcross.org/press/disaster/ds\\_pr/020905report.html](http://www.redcross.org/press/disaster/ds_pr/020905report.html). Governors will also receive hard copies at the Board retreat later this month.

Our goal in creating this document was to give chapters, regions and the stations a more detailed account about the Red Cross response to September 11. The report offers detailed information on the Red Cross response and would be especially useful when approaching major donors, news media, government officials and constituents. The report could also be used in conjunction with the one-page flyer posted on CrossNet at <https://corpweb.redcross.org/comm-market/911/flyer.asp>. Board members will be given paper copies of the flyer at their September meeting.

*Untold Stories*, an outstanding collection of Red Cross actions that have not been shared with the news media, is also an excellent tool for sharing the real story. At National headquarters, we have been using this sheet to "pitch" national news outlets as ideas for potential news stories surrounding the tragic anniversary. You may wish to use these stories when talking with media,

donors or the general public over the coming weeks. It can be found online at <https://corpweb.redcross.org/comm-market/911/untoldstories.doc>.

The three stories below are positive news media stories have appeared in recent weeks detailing the role of the Red Cross in our unprecedented response:

<http://www.accessatlanta.com/ajc/news/sept11/0903donations.html>

<http://www.tribnet.com/news/local/story/1667663p-1784584c.html>

<http://www.timesleader.com/mld/timesleader/3994358.htm>

Please feel free to contact Deborah at (202) 639-3590 or Darren at (202) 639-3501 if you have specific questions or need additional information related to communication initiatives surrounding the anniversary.



**American Red Cross**

*Together, we can save a life*

*Proposed by Biomed Comm.  
for youth BOC  
RE Microsoft Initial  
Announcement*

National Headquarters  
Office of the President and CEO

*Roll this  
into the  
monthly  
BOG Report  
Date is what  
next now*

**To:** Chairman McLaughlin and  
Members of the Board of  
Governors  
Non-Governor Biomedical  
Services Board Members

**Date:** September 4, 2002

**From:** Marty Evans

**Subject:** Microsoft Campaign

America Online, Microsoft, MSN.com and Yahoo! approached the American Red Cross to conduct a nationwide public education and awareness effort to increase visibility about the daily need for blood, recruit a corps of volunteer blood donors, enhance sponsor group relationships and increase the national blood inventory to a seven- to 10-day supply.

The campaign will run September 5 through October 4 and will feature highlighted links on MSN, Yahoo! and AOL, the Red Cross home page, as well as strategically placed print and broadcast advertisements. Through these ads, potential donors will be directed to 1-800 GIVE-LIFE as well as to a special section, <http://blood.givelife.org>, which will be launched September 5. At the end of the campaign, all demographic information collected about all registrants to <http://blood.givelife.org> will be distributed to our 36 Blood Services regions in early October, so they can be included in their ongoing recruitment efforts in communities nationwide.

Microsoft has been a strong supporter of our organization for many years. Included with this memo is the national news release we will distribute to select news outlets Thursday, as well as detailed ways Microsoft has helped save lives through the American Red Cross in years past.

If you have questions regarding our strategy, please contact me at (202) 639-3292.

Attachments



**American  
Red Cross**

National Headquarters

*Together, we can save a life*

**To:** Chairman David McLaughlin; **Date:** August 28, 2002  
Board of Governors members;  
Non-governor Biomedical  
committee members

**From:** Marty Evans, President and *Marty* **Subject:** Cox News Service Update and  
CEO Support Materials

This afternoon, a reporter from Cox Newspapers (a wire service that feeds stories into dailies such as the *Atlanta Journal Constitution* and *Dayton Daily News* – <http://www.coxnews.com/newspapers/index.html>) called regarding a story he's writing for publication Wednesday about the ongoing court case between the American Red Cross and the Food and Drug Administration (FDA). On Friday, the Red Cross and the FDA filed briefs in advance of a September 24 non-evidentiary hearing. The FDA's filing highlighted observations from a recent inspection at the Greater Chesapeake and Potomac Region, headquartered in Baltimore, Md. The FDA's brief is the foundation of the reporter's story, and will include inflammatory statements such as, "The American National Red Cross ... continues to be significantly out of compliance ... thereby jeopardizing public health," and "There is no justification for ARC's chronic inattention and callous indifference to its blood collection and processing responsibilities."

As you know, because this is a matter pending litigation, we are constrained from discussing specifics of the current case. However, we provided as much context and background as possible when educating this reporter. For example, we indicated that the American Red Cross shares a common goal with the FDA (providing the safest possible blood supply). Additionally, he was given information related to the sensitivities of creating unnecessary fear and alarm among blood donors and recipients. We also increased his understanding of the vital role our organization plays in building a key cornerstone of our nation's public health – a safe and adequate blood supply. We spoke to the commemoration of September 11, highlighting that one patient every two seconds needs a blood transfusion, *regardless* of a natural or manmade disaster. Because we currently have a two-day supply, we emphasized an optimal inventory is five to seven days, and noted that we have been charting the precipitous decline in donations following unbalanced coverage of the American Red Cross and FDA relationship.

Our priority is to achieve resolution with the agency, and we are committed to working with the agency to continue to make the blood supply safer than ever before.

Attached are talking points you can use with key stakeholders. If you have questions regarding our strategy, please contact me at 202-639-3292.

Thank you for your continued commitment to our mission.

SFC-ARC-A001115

### Talking Points Regarding Cox News Service Coverage

- The nation's blood supply has never been safer. Technological advancements in blood testing and the dedication of thousands of volunteer and paid staff have raised its quality to new heights in recent years.
- The Red Cross shares a common goal with the Food and Drug Administration -- providing the safest possible blood components to patients. The American Red Cross is committed to continuing to work in partnership with the FDA to make the blood supply safer than ever before.
- Our priority is to achieve resolution with the FDA.
- The FDA and the American Red Cross agree: The blood supply is safer than its ever been in our nation's history. In fact, in a recent FDA statement, the agency said, "patients requiring blood transfusions should not hesitate to receive blood."\*
- Due in no small part to the \$287 million the Red Cross has invested in its biomedical operations since 1993, the number of FDA observations has decreased by more than 80 percent since the signing of the Consent Decree.
- The Red Cross continues to invest in its biomedical operations to meet the highest quality and regulatory standards. This ongoing effort emphasizes quality improvement, information technology and processing/supply chain infrastructure.
- The American Red Cross has provided humanitarian service to our nation since 1881 and has been the leading provider of America's blood supply for more than 50 years.

\*FDA Print News Release, distributed December 13, 2001.

(<http://www.fda.gov/bbs/topics/NEWS/2001/NEW00785.html>)



**American Red Cross**

National Headquarters  
Office of the President and CEO

*Together, we can save a life*

**To:** Chairman McLaughlin and  
Members of the Board of  
Governors  
Non-Governor Biomedical  
Services Board Members

**Date:** September 3, 2002

**From:** Marty Evans

**Subject:** West Nile Virus

Multiple news outlets are reporting that health officials said on Saturday, August 31, that they are investigating the possibility that four organ recipients contracted West Nile Virus from the organ transplants or blood transfusions. It would be the first time such a method of transmission was recorded, according to the National Centers for Disease Control and Prevention (CDC). All cases of West Nile Virus in the United States have come from contact with a mosquito, according to the CDC.

The American Red Cross is collaborating with the Food and Drug Administration (FDA) and the CDC to continue investigating these deaths and to allay unnecessary fears and concerns about the safety of the blood supply. Attached are talking points you can use with key stakeholders, as well as a copy of a recent *Associated Press* article regarding West Nile Virus for information.

If you have questions regarding our strategy, please contact me at (202) 639-3292.

Attachments

**Talking Points, West Nile Virus**  
**September 3, 2002**

- The American Red Cross is supporting the FDA and CDC in its investigations into the incident involving the Atlanta organ donor and West Nile Virus. While there are no details at this time, the Red Cross will continue to work collaboratively with the organizations to help inform the public about the safety and efficacy of the blood supply.
- We wish to allay any fears and concerns about the safety of the blood supply for both donors and recipients. While there is no test for West Nile Virus, the many safety layers used to protect our nation's blood supply include carefully screening blood donors who may be experiencing symptoms of West Nile Virus, such as fever and chills, and would therefore be disqualified.
- The Red Cross relies solely on the generosity of the American public to save lives through blood donations. Every two seconds, someone in America needs blood. Labor Day weekend is traditionally a time when fewer people are donating blood, due to increased travel schedules. In addition, usually transfusion rates are higher because of increased motor vehicle accidents and outdoor related activities. Please call 1-800-GIVE-LIFE to schedule a blood donation appointment at a Red Cross blood drive near you. *Together, we can save a life.*

Associated Press Story  
September 3, 2002

**OFFICIALS: BLOOD SUPPLY STILL SAFE**

By Kristen Wyatt The Associated Press  
September 3, 2002

ATLANTA -- Public health officials sought Monday to assure Americans the blood supply was safe despite concerns an organ donor who received a transfusion may have transmitted West Nile virus to four transplant recipients.

One of the four died of brain swelling that can be caused by the virus, which until now has been blamed solely on mosquito bites.

The three others were hospitalized with symptoms associated with West Nile, although doctors aren't sure they have the virus or whether they got it from a medical procedure.

The organ donor, a Georgia woman, died in a car crash last month. She may already have been infected or may have gotten West Nile through blood transfusions in the emergency room after the crash, the CDC said.

Samples from the four transplant recipients were sent to the CDC's lab in Fort Collins, Colo. Test results are expected within the week. The organ recipient who died was in the Atlanta area. The heart recipient, a 63-year-old Miami resident, was in serious condition Monday at Jackson Memorial Hospital in Miami. The two others are at hospitals in Jacksonville and in the Atlanta area.

Public health officials spent the weekend assuring people about the national blood supply, despite the lack of a West Nile screening process in donated blood and organs. Any potential blood donor showing symptoms of the virus would be turned away, they said.

"The blood supply is as safe as it's ever been," Trudy Sullivan, an American Red Cross spokeswoman in Washington, said Monday.

The Food and Drug Administration issued an alert to blood banks two weeks ago to exercise extra caution when screening donors.

"We've known for some time there is a theoretical possibility people can get this through blood or organ transplants," said Tom Skinner, a Centers for Disease Control and Prevention spokesman, said Sunday.

This year, 638 people in 27 states and the District of Columbia have tested positive for West Nile virus, and 31 have died, according to the CDC.

At blood donation centers, officials said people weren't panicky about West Nile and transfusions.

At the Aventis Plasma Center, a Tallahassee blood bank, a manager said West Nile hasn't come up in clients' questions.

At Atlanta's Centennial Olympic Park, word of a new West Nile risk didn't go over well.

"It was prevalent before, and now we hear it's more prevalent," sighed Clinton Orlando of Atlanta.

He said if he needed a transfusion, he wouldn't refuse it. "But I'd probably be very choosy about where I'm being treated and ask a whole bunch of questions."

**American  
Red Cross**National Headquarters  
Office of the President and CEO*Together, we can save a life***To:** Chairman McLaughlin and  
Members of the Board of  
Governors  
Non-Governor Biomedical  
Services Board Members**Date:** August 22, 2002**From:** Marty Evans**Subject:** CBS Evening News Update and  
Support Materials

A reporter from CBS Evening News, Sharyl Attkisson, has produced more stories about the Red Cross, concentrating specifically on Blood Services and our relationship with the Food and Drug Administration (FDA). The story is scheduled to air this evening (August 22) and will focus largely on the recent inspection of the Greater Chesapeake and Potomac Region, headquartered in Baltimore, Md. The reporter interviewed a former region employee and will focus on accusations made by internal and external audiences regarding the Red Cross's compliance history and issues raised as a result of the region's recent inspection. We distributed the attached letter to the CBS reporter, and I am providing a courtesy copy to the network's president, Andrew Heyward. (Please see the attached letter sent to the reporter, position statement that will be sent to the network and talking points.)

Because you are key stakeholders and ambassadors of this organization, we are providing the attached talking points for your use in providing factual information regarding inquiries you receive and allaying fears and concerns resulting from this story.

As you know, the Red Cross shares a common goal with the FDA – providing the safest possible blood components to patients. Our priority is to achieve resolution with the agency. We plan to aggressively work with our paid and volunteer staff, donors, sponsors, hospital customers and communities at large to educate the public about the safety enhancements Red Cross has made to date and our commitment to collaboration and cooperation with the FDA.

Again, my goal is to continue to work diligently to ensure all key constituents, including but not limited to, policy makers, government officials, media and the general public, understand our commitment to working with the FDA to resolve issues and to be the most effective steward when it comes to providing the safest possible blood supply. If you have questions regarding our strategy or the issues raised in the coverage, please contact me at (202) 639-3292. We will also distribute these materials to field leadership prior to the broadcast and post the materials on CrossNet.

Attachments

SFC-ARC-A001120

### Talking Points Regarding CBS Evening News

The unbalanced reporting on CBS *Eye on America* does not represent the large-scale success of the American Red Cross in ensuring a safe, available blood supply for our nation. We have asked CBS for the opportunity to provide the facts regarding the story it ran and will continue to work toward educating the network about American Red Cross Blood Services.

- **The nation's blood supply has never been safer.** Technological advancements in blood testing and the dedication of thousands of paid and volunteer staff have raised its quality to new heights in recent years.
- The Red Cross shares a common goal with the Food and Drug Administration – providing the safest possible blood components to patients. **Our priority is to achieve resolution with the agency.** We are committed to working with the agency to resolve any issues and to be the most effective steward as possible when it comes to providing the safest possible blood supply.
- **Because the Red Cross is committed to ensuring that the nation's blood supply is as safe as possible, any potential problem is a serious matter to us.** Our internal quality control systems detected many of the same concerns prior to the FDA's inspection at the Baltimore facility and we have implemented an aggressive plan for resolution.
- **There are seven layers of safety that help protect the blood supply,** which include self-deferrals, pre-check, completion of the blood donation record, health history screening, confidential unit exclusion, testing and post-donation information. These multiple layers of safety demonstrate the robust systems in place.
- **Due in no small part to the \$287 million the Red Cross has invested in its biomedical operations since 1993, the number of FDA observations have decreased by more than 80 percent since the signing of the Consent Decree.**
- **The Red Cross continues to invest in its biomedical operations to meet the highest quality and regulatory standards.** This ongoing effort emphasizes quality improvement, information technology and processing/supply chain infrastructure.
- **The American Red Cross has provided humanitarian service to our nation since 1881, and has been the leading provider of America's blood supply for more than 50 years.** We support the ongoing efforts of the Greater Chesapeake and Potomac Region, headquartered in Baltimore, Md., to enhance their quality systems and applaud their paid and volunteer staff for their dedication to our lifesaving mission.

**American Red Cross Position Statement**

Response to CBS

The American Red Cross and the Food and Drug Administration (FDA) share a common goal: providing the safest possible blood components to patients. Our goal is to strengthen our working relationship with the FDA and other regulatory agencies in our efforts to continue to make the blood supply the safest its ever been. Even the FDA has said, "patients requiring blood transfusions should not hesitate to receive blood."

Every two seconds, someone in America needs blood. The American Red Cross is committed to safely and effectively helping fill this critical need. This is made possible through the dedicated support of thousands of staff and volunteers, sponsor groups and blood donors.

*Together, we can save a life*

*Not for Publication*

Sharyl Attkisson  
CBS News  
2020 M Street, N.W.  
Washington, D.C. 20036

Dear Ms. Attkisson:

Based on our conversation this afternoon, I am greatly concerned the CBS story that will air tomorrow night about the American Red Cross Biomedical Services will include false and misleading statements about the American Red Cross. In addition, I have serious concerns that CBS News intends to rely on biased sources with questionable credibility, without bothering to disclose these facts to its viewers.

For example, you informed me that your primary source for the story is a former Red Cross regional employee who was terminated more than a year ago. You claimed this individual was supposedly terminated for reporting alleged regulatory violations. You apparently do not know that two separate courts have already dismissed this individual's claims. In fact, the first court dismissed his claims more than a year ago. While our policies understandably prohibit us from publicly discussing details of personnel matters, your claims regarding the reasons this individual was terminated are clearly false.

In addition, your exclusive reliance on a source with a personal litigation interest against the subject of your story is a tactic that has been rejected by all responsible news organizations. At the very least, these matters must be disclosed to your viewers. Balanced and accurate reporting requires CBS News to provide American Red Cross Biomedical Services leadership with a full and fair opportunity to respond. Therefore, please inform us of any such allegations you intend to make so that we may respond prior to broadcast.

If CBS News chooses to reject this request, it runs a serious risk of publishing false and misleading statements that would unfairly impugn the reputation of the American Red Cross.

Thank you for your immediate attention to this matter. We look forward to a meaningful opportunity to respond to your allegations. I can be reached at (703) 807-5432.

Sincerely,

Trudy M. Sullivan  
Vice President, Communications and Strategy  
American Red Cross Biomedical Services

cc: Larry Moore, Deputy General Counsel, American Red Cross



**American  
Red Cross**

National Headquarters  
Office of the President and CEO

*Together, we can save a life*

**To:** Board of Governors                      **Date:** August 20, 2002  
**From:** Marty Evans *Marty*                      **Subject:** Key Messaging for the September  
11 Anniversary

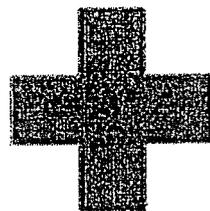
To help Red Cross leaders at all levels effectively communicate the organization's positioning around the September 11<sup>th</sup> anniversary, we have created a short PowerPoint presentation that distills our key messages. Members of the Board of Governors are among our most effective spokespeople; therefore, I am attaching a copy for you to use in your communities, with the public, volunteers or stakeholder groups. I'm also including a copy of our sample anniversary speech.

In addition to the materials we are sending now, I encourage you to visit the special section on CrossNet, <https://corpweb.redcross.org/comm-market/911/intro.asp>. It contains an introduction, unifying theme and graphics, remembrance event ideas, advertising, brochures, guidance for chapter involvement, chapter activities (see <https://corpweb.redcross.org/comm-market/911/chapters.asp>), national headquarters support activities, a link to volunteer and victim stories on redcross.org and a toolkit of template materials for local use.

If you need additional details, please contact Deborah Daley, interim senior vice president, Communication and Marketing, (202) 639-3590; e-mail [daleyd@usa.redcross.org](mailto:daleyd@usa.redcross.org), or me.

Attachments

SFC-ARC-A001124



**American Red Cross**

*Together, we can save a life*

# September 11: One Year Later



REMEMBER  
SUPPORT  
PREPARE

SFC-ARC-A001125



*Together, we can save a life*

SFC-ARC-A001126

# Overview

- **Communicating about Sept. 11 is an important opportunity for the Red Cross to:**
  - Recap its positive role surrounding the crisis.
  - Communicate lessons learned.
  - Inspire future confidence in the organization.
  - Reinforce local role, accomplishments (when appropriate).
- **Given the sensitivity of the event and volume of available information, the message must be:**
  - Very simple and delivered with discipline.
  - Focused entirely on Sept. 11, families, volunteers, donors—not the Red Cross overall.



Together, we can save a life

SFC-ARC-A001127

# Message Structure

The tag line and the spoken messages can vary somewhat as the following demonstrates.

## Tag Line

- Remember
- Support
- Prepare

## As Spoken

- Families first
- America at its best
- Be ready for the challenges of the post-Sept. 11 world

Together, we can save a life



*Together, we can save a life*

SFC-ARC-A001128

# Families first

- **Beginning September 11, and under the plan developed with Independent Overseer Sen. Mitchell, Red Cross puts the needs of families most directly affected first.**

- All funds have been devoted to those directly affected.
- Mitchell plan combines short- and long-term support: financial aid, health, mental health and other support services.
- We expect to distribute \$638 million of nearly \$1 billion total by Sept. 11, 2002. Another \$200 million is committed to ongoing programs, and should be spent by year's end (pace depends on response of families).
- Most remaining funds will be spent over 3-5 years on long-term care.



*Together, we can save a life*

SFC-ARC-A001129

# Families first

- **Examples of putting families first:**

- Providing more than 14 million meals, mental health services for 237,000 people and health services for 131,000 people.
- Supporting mental health services for 16,000 people over next 5 years.
- Giving an average of \$121,000 to more than 3,000 families of the deceased and seriously injured who accepted all available assistance.
- Allocating \$276 million to support 55,000 families who lost jobs or residences.
- More than one million people donating blood in the first month after the attacks.

*Together, we can save a life*



Together, we can save a life

SFC-ARC-A001130

# America at its best

- The Red Cross response reflects the best characteristics of America--the unprecedented outpouring of financial and blood donations, as well as volunteers.
- We thank all of our donors and volunteers for their assistance and support.

55,000+ volunteers from all 50 states made it possible to respond to the tens of thousands of families affected in 47 states and 64 countries

An unprecedented number of Americans gave nearly \$1 billion to the American Red Cross

We collected 2 million units of blood in month following September 11. Nearly 20% from first-time donors.

- Support those who are still helping the nation recover: Red Cross workers, military, government, families--and each other.



*Together, we can save a life*

SFC-ARC-A001131

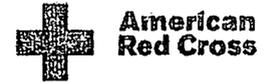
# Be ready

- **We learned many lessons from September 11 and are building on our experiences to strengthen the organization and nation's preparedness.**
  - Changed disaster fund-raising practices (Donor DIRECT) to ensure donor intent.
  - Recognized importance of coordination and led the development of the United Services Group—with other active September 11 charities—to improve collaboration and create an integrated client database.
  - Standardized information gathered from clients among relief aid charities to ease administrative burden on families.
  - Established ongoing personal relationships with Red Cross case workers who guide clients throughout recovery.
  - Planned investments in technology to improve data management and services to clients.
  - Planning to announce detailed changes in Red Cross disaster response in the coming months.

# Be ready

- **It takes a nation to be truly prepared.**
  - With new attention focused on preparedness, more Americans should develop emergency response plans for home and office and learn basic first aid, so they can respond in times of disaster.
  - Volunteers are being trained every day in disaster response and we encourage all Americans to get prepared. More information is available on our web site – [www.redcross.org](http://www.redcross.org) – and through 1-800-GIVE-LIFE.
  - *Where appropriate, add specifics re. local community programs.*

*Together, we can save a life*



*Together, we can save a life*

# Be ready

- **We hope Americans will continue to be generous....**
  - The Red Cross needs your support now more than ever. Whether it is volunteering at your local chapter, making a financial donation or giving blood, we need your help.
  - Work to make your community safer: contact one of our 1,000-plus chapters to volunteer.
  - Give blood: call 1-800-GIVE LIFE if you are an eligible blood donor. Every two seconds someone in America needs blood.
  - Make a financial donation: call 1-800-HELP NOW or send a check to your local Red Cross chapter or to the American Red Cross, P.O. Box 37243, Washington, DC 20013. Donate on our secure internet site at [www.redcross.org](http://www.redcross.org).

*Together, we can save a life*

## Sample Anniversary Speech

None of us here today will ever forget where we were on September 11, 2001. We will always remember what we were doing on that day, when we realized our nation was under attack, and how we responded in the hours, days and weeks that followed.

As those of us here at the Red Cross looked for a fitting message to share at this one-year milestone, we wanted to commemorate the past, present and future issues surrounding the harrowing events of September 11.

What we came up with is this simple request. That all of you—as individuals, as family members and as Americans—take time on this occasion to Remember, Support, Prepare.

### Remember

By remembering, we mean looking back at the past and honoring the memory of the individuals who lost their lives on that tragic day one year ago.

By remembering, we mean not forgetting that families all across the nation are still mourning the loss of their loved ones—many of them are still being assisted by the Red Cross today.

And by remembering, we mean acknowledging and saluting the countless men and women, relief workers and common citizens, who stepped forward to help those harmed on September 11. At the Red Cross alone, more than 55,000 volunteers from all walks of life and from all over this country came forward to help, many of them dropping everything to spend weeks at a time without pay, working at the relief operations in New York, Washington, Philadelphia and other sites. **(If appropriate, insert local examples here, describing volunteers who helped in the Red Cross relief operation.)**

In what may be the largest spontaneous outpouring of charitable aid in history, millions of other Americans gave generous contributions to help and comfort those whose lives were torn apart. And, in the days and weeks following September 11 when the possibility of more attacks threatened, thousands upon thousands of other Americans rushed forward to donate blood, the gift of life. **(If appropriate, insert local examples of blood donation or local groups' inspiring fund-raising efforts.)**

Many of you here stepped forward, and we will never forget your efforts. We will remember. For you have succeeded and the Red Cross has succeeded—in *putting families first*, the families of those who perished, the families of those severely injured and the families of those who lost jobs and livelihoods. Together, we have devoted all the monies contributed to the Red Cross after September 11—nearly \$1 billion—directly to those affected.

One year after the attacks, we are proud to report that we've distributed \$638 million of that total, giving an average of \$121,000 to more than 3,000 families of the deceased and seriously injured. Another \$200 million is being used in ongoing programs for those affected, with most of the balance earmarked for long-term services over the next three to five years. Our experience in working on disasters like the Oklahoma City bombing has taught us: People continue to need mental health services, job training and other services often for years after a life-altering tragedy like this.

## **Support**

And that brings us to our second point—support. We ask that you continue to support what we at the Red Cross sometimes call the 'silent strength' of America, the present efforts being made—often in the background and without fanfare—to help this nation recover, one individual and one family at a time. Efforts to help our country—and us—emerge stronger and even better able to respond if a tragedy like September 11 is ever repeated.

As we have said, what Americans have done in response to these terrorist attacks is unprecedented. The same is true of what must still be done. As many have said: Our way of life was irrevocably altered one year ago, and we must change to meet its challenges. And there are many.

So we are asking you today: Please support Red Cross workers, the military, our government, families and each other during this uncertain time.

## **Prepare**

A constructive way to help ourselves and our country continue its recovery is in prepare for the future. To prepare is the third request we make of you today.

At the Red Cross, we're preparing for new realities in responding to disasters, based on the large, and sometimes painful, lessons we learned on September 11.

The magnitude of this national crisis—which handed devastating blows to the tens of thousands who were directly affected—showed us we needed to work more closely with other relief charities. That's why we led the development of the United Services Group, coordinating the activities of September 11 relief groups in creating a database to improve services. And the speed with which immediate aid can be offered to victims. We will make new investments in technology to help us improve our services in largescale disasters. And we have already changed our disaster fund-raising practices to better educate donors and honor their wishes.

You too can prepare. We hope more of you will take simple preparedness steps to protect yourselves, your loved ones and our community. Create an emergency response plan for your family. Assemble a disaster supplies kit for your home. Make sure your children's schools and other caregivers have your contact information. Learn

basic first aid and CPR. Ask your employer—Is there a disaster plan in place? And commit to donating blood.

Please consider helping your community by donating blood—or getting trained in how to respond to disasters. The Red Cross trains XXX (insert number trained in disaster response by local chapter) disaster response volunteers every year. Check our Web site, [www.redcross.org](http://www.redcross.org) (add or substitute local chapter Web site) or call 1-800-GIVE-LIFE to schedule an appointment to give blood.

In closing, I want to stress once again how important it is that we honor the memories of those who perished. In their name, and in the names of the families and loved ones left behind, we at the Red Cross hope that you will join us.

Please **REMEMBER** them.

**SUPPORT** the continuing efforts to help this great nation recover.

And **PREPARE** yourself, your families and your communities to respond to unexpected disasters.

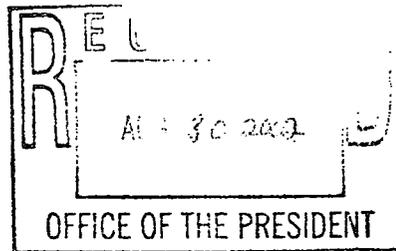
Thank you.



**American  
Red Cross**

**National Headquarters**  
430 17th Street, N.W.  
Washington, DC 20006

Marsha Johnson Evans  
President and Chief Executive Officer



**To:** Board of Governors      **Date:** August 14, 2002

**From:** Marty Evans *Marty*      **Subject:** BBB Wise Giving  
Alliance Report on the  
American Red Cross

As many of you know, we have engaged in robust discussions with the BBB Wise Giving Alliance over the past months regarding their evaluation of the American Red Cross.

After several meetings, the Alliance has completed its report, which should be posted to their Web site tomorrow. To respond to media inquiries, they have prepared the attached news release, which reflects some, but not all, of our requested changes. This release has been shared with *The Washington Post*, and we will alert our field units that this is happening. Our remaining concerns over the final report are reflected in a letter, also attached, which I am sending to Mr. Bennett Weiner, their chief operating officer, today.

If you would like additional details, please contact me or Jack Campbell, senior vice president and chief financial officer, at (703) 206-7815; e-mail [campbellja@usa.redcross.org](mailto:campbellja@usa.redcross.org).

Attachments

*Together, we can save a life*

SFC-ARC-A001137



# News

FOR IMMEDIATE RELEASE

BBB Wise Giving Alliance  
4200 Wilson Boulevard  
Arlington, VA 22203-1804  
703.276.0100  
703.525.8277 (fax)  
www.give.org

Contact: Bennett Weiner  
Chief Operating Officer  
703.247.9323  
bweiner@cbbb.bbb.org

## BETTER BUSINESS BUREAU ISSUES UPDATED REPORT ON RED CROSS New Report Focuses on 9/11 Solicitations and Related Activities

Arlington, VA, August 15, 2002—The BBB Wise Giving Alliance (the Alliance), the national charity monitoring organization affiliated with the Better Business Bureau system, released a report on the American Red Cross today that shows the organization does not meet two of the charity watchdog's 23 accountability standards.

The report, which focuses on Red Cross 9/11 activities, is the result of an analysis of more than 1,000 pages of materials that were provided by the Red Cross in response to a request by the Alliance to complete its charity standards evaluation. The BBB Wise Giving Alliance concluded that based on a review of 9/11 related Red Cross appeals, the Red Cross did not meet the BBB standards\* addressing (1) misleading solicitations and (2) disclosures in cause-related marketing promotions. (See the full text of the report at [www.give.org](http://www.give.org) for the complete explanation of these findings.)

“Both of our findings refer to incomplete information being provided to donors at the point of appeal, that could have led to public confusion over how Red Cross 9/11 donations were used,” notes H. Art Taylor, BBB Wise Giving Alliance president and CEO. “The Alliance appreciates the fact that the Red Cross has already begun to take proactive measures to address these concerns. We will revisit these issues at the beginning of next year to determine if these findings can be amended based on these actions.”

Taylor emphasized that the Alliance evaluates a charity against various financial, governance, fund raising and other accountability standards. Its reports do not render judgments about the importance of an organization's mission or the quality of its programs. “We recognize the valuable service that the American Red Cross provides. Our concerns here are focused solely on full disclosure to potential donors.”

(more)

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*The BBB Wise Giving Alliance was formed through the merger of the National Charities Information Bureau and the Council of Better Business Bureaus' Foundation which housed the Philanthropic Advisory Service. The Alliance produces reports on the most-asked-about national charities and specifies if they meet the CBBB Standards for Charitable Solicitations. These Standards address, among other things, charity financial, governance, and fund raising issues.*

In response, the Red Cross has provided the following comment. *"We appreciate the need for accountability and the important role played by the BBB Wise Giving Alliance in ensuring that charities are held to the highest possible standards,"* said Marty Evans, American Red Cross president and CEO, *"The events and aftermath of September 11 were an unprecedented challenge to our organization and all other charities that responded to these attacks. They pointed the way to new and improved practices we adopted on June 5, 2002, that better inform donors while honoring their wishes. We are confident that these new practices comply fully with the BBB standards, and we look forward to future BBB evaluations."*

Note to Editors:

The full text of the BBB Wise Giving Alliance Report on the American Red Cross is posted on the Alliance website: [www.give.org](http://www.give.org). Individual copies are also available on request by writing to the BBB Wise Giving Alliance, 4200 Wilson Blvd., Suite 800, Arlington, VA. 22203.

\* The Red Cross does not meet the following two BBB charity standards:

- (1) Solicitations and informational materials, distributed by any means, shall be accurate, truthful and not misleading, both in whole and in part.
- (2) Solicitations in conjunction with the sale of goods, services, or admissions shall identify at the point of solicitation the actual or anticipated portion of the sales or admission price to benefit the charitable organization or cause.

# # #



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

Marsha Johnson Evans  
President and Chief Executive Officer

August 14, 2002

Bennett Weiner  
Chief Operating Officer  
BBB Wise Giving Alliance  
4200 Wilson Blvd.  
Arlington, VA 22203-1804

Dear Mr. Weiner,

On behalf of the entire American Red Cross, I would like to thank you for the time and consideration of your organization during your recent evaluation. Because the Red Cross is an organization that prides itself on its service and stewardship of charitable funds, I can certainly appreciate the important role that the BBB Wise Giving Alliance plays in ensuring that all charities are accountable.

Please rest assured that your original concerns and the steps we have undertaken over the past ten months to address them have already resulted in improved services and fund-raising methods for the entire organization.

However, with respect to your final report, we have serious concerns regarding the need for an additional evaluation period of four-and-a-half months. As you know, Donor DIRECT, the revised policy for disaster solicitations, was announced in June and implemented for major disaster relief operations, and all chapters have been instructed to employ these new fund-raising practices. The most recent examples of the policy at work include the disaster fund-raising materials used in Texas, Arizona and Colorado. We strongly request that the Alliance evaluate our practices as soon as possible so this past instance of non-compliance can be accurately reflected as corrected.

As always, we will continue to work with our watchdog partners to ensure our fund-raising policies and practices are responsible and sound. We respectfully suggest that you not reference January 2003 as the next review period and work with us now to evaluate the practices currently in use.

Sincerely,

Marsha Johnson Evans  
President and CEO

*Together, we can save a life*

SFC-ARC-A001140



**American  
Red Cross**

Office of the Chairman  
National Headquarters  
Washington, D.C.

*Together, we can save a life*

**To:** Members, Board of Governors      **Date:** November 1, 2002  
**From:** David T. McLaughlin      **Subject:** Election of New At-Large  
Members  
**cc:** Marsha J. Evans

I am pleased to announce the October 25 election of two at-large members to the Board of Governors. Both are outstanding professionals who have not only agreed to the commitments and governance obligations of this Board, but also to employ their energy and excitement in assisting the Red Cross.

Gina Adams is Corporate Vice President for FedEx Corporation's Office of Government Affairs. Following a nine year career as Attorney-Advisor in the General Counsel's Office at the U.S. Department of Transportation, Ms. Adams joined the FedEx Corporation in 1992. She has served on a number of boards supporting the arts and was appointed in 1993 to a bipartisan National Commission to Ensure a Strong Competitive Airline Industry.

William "Bill" Lucy is International Secretary-Treasurer of the American Federation of State, County and Municipal Employees (AFSCME), AFL-CIO; a position he has been continually reelected to since 1972. AFSCME represents 1.3 million members. Since 1995, Mr. Lucy has also served on the AFL-CIO Executive Council and is vice president of the Maritime Trades Department and Department of Professional Employees. He is also the founder and president of the Coalition of Black Trade Unionists and president of Public Services International, the world's largest union federation.

Following the election of Bill Lucy, I accepted the resignation of Kevin Gallagher. I am confident Kevin will continue to be a tremendous supporter of the American Red Cross and we wish him Godspeed as he returns to active firefighting.

SFC-ARC-A001141

# Memorandum

**To:** Marty Evans

**From:** David McLaughlin

**Date:** 09/25/02

Marty,

I do not know him – but here is another corporate executive that wants to give his time/talent/energy to ARC – presumably free.

How can we integrate these talents into ARC or do we establish a Presidential Advisory Group and bring them in and then redeploy them on an assignment basis??

Let's discuss.

*DM*

Sep-18-2002 01:08pm From-OIF

+3019470083

T-176 P.001

F-694

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TO: David T. McLaughlin                      DATE: September 18,  
2002

FAX: (603)526-7324                      CONFIRMATION  
TELEPHONE:

FROM: Bert Bernhard                      ORIGINATOR'S (202) 371-6024  
TELEPHONE:

TOTAL PAGES: 7                      CLIENT/MATTER:

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MESSAGE:

SFC-ARC-A001143



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

December 20, 2002

Gregory A. Kozmetsky  
P.O. Box 1787  
Austin, TX 78767

Dear Greg,

I was delighted to have an opportunity to visit with you and Marty last week. After reading your CV, I was anxious to meet you to learn how one can keep as many balls in the air as you do and be a positive contributor to each of them. You really are remarkable.

We will propose to the Executive Committee your election as a Governor at large of the American Red Cross at our meeting in mid January which will be the effective date of your joining the board. I look forward to working with you and until then wish you and your family an enjoyable holiday and a fulfilling New Year.

Warm regards,

David T. McLaughlin

cc: Marty Evans ✓

*Together, we can save a life*

SFC-ARC-A001144



**American  
Red Cross**

**National Headquarters**  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

December 17, 2002

Mr. Robert Barnes  
President  
The Canadian Red Cross Society  
170 Metcalfe Street, Suite 300  
Ottawa, Ontario K2P 2P2  
Canada

Dear Mr. Barnes:

On behalf of my colleagues, I wanted to wish you and your associates an enjoyable holiday and a very fulfilling New Year. While I wish it would be otherwise, I suspect that 2003 will be every bit as challenging as this year.

Enclosed is a trip report that I sent to our Board of Governors on my return from the Middle East several weeks ago. I thought you might find it to be of interest.

Regards,

David T. McLaughlin

Enclosure

cc: Gerry Jones  
Marty Evans ✓

*Together, we can save a life*

SFC-ARC-A001145



**American  
Red Cross**

Office of the Chairman  
National Headquarters  
Washington, D.C.

*Together, we can save a life*

**To:** Members of the Board of Governors      **Date:** December 2, 2002  
**From:** David T. McLaughlin, Chairman      **Subject:** Report on Middle East Trip  
**cc:** Marsha J. Evans

Carol Ann Haake, Chair of the International Services Committee, Gerry Jones, Brian Majewski, Francois de la Roche and Malik Jaffer of the International Services Department, and I represented the American Red Cross during a recent visit to Europe and the Middle East. We are reporting to you on both the significance of our visits, as well as observations that I have come away with. While much of what I am reporting to you was either openly expressed to me or is my personal observation, I am conveying it to you with a request that this information be used only for your purposes as a governor. This is not for wider dissemination to the field or media. Also as Americans traveling in the Middle East, we were continually drawn into discussions of a political nature regarding the potential Iraqi war and the Israeli-Palestinian conflict. I did not attempt to remove all political aspects from this report as I feel to do so would create an imbalance in my impressions and observations. Therefore, references to issues of a political nature are not meant to represent an endorsement of those issues by the American Red Cross or myself, but only to convey challenges to the American Red Cross in the broadest context.

My trip began in Rome at a dinner of a NYSE reinsurance company whose board I formerly chaired. This organization's board includes Dutch, English, Swiss, Italian, German and American CEO representation. While this dinner was not a part of my Red Cross activities, the dinner conversation represented interesting sentiments and a hardening of attitudes that I have and continue to encounter in Europe this past year. Discussions during dinner inevitably fell to US-European relations and the prospects of a war with Iraq. The depth of the differences on policy issues between the US and Europe was sobering. Feelings of Europe's budget induced inferiority in defense and military leadership and their frustration were openly expressed. On issues of international identity and leadership, there was resentment of the US and our refusal to let the Europeans exert their "rightful role" and to keep them "in the loop". What stunned me was the vehemence on these issues by the European corporate leaders that I have known so well. It cannot auger well for the future of Europe – US relations, on issue of corporate mergers, environmental issues, wartime partnerships, and the like; however, it should not impact the American Red Cross.

We then traveled on to Geneva and the headquarters of the International Committee of the Red Cross (the ICRC) and the Federation of Red Cross and Crescent Societies (the Federation). The ICRC is involved with providing humanitarian relief in combat and conflict situations. The Federation, on the other hand, is comprised of 150 plus independent national societies and deals with national society needs in the area of organizational development, community health and natural and manmade disasters.

The ICRC is moving to a war footing to accommodate anticipated population movement inside, of and from Iraq, in the event of a conflict there. With 150,000 Egyptians workers and other nationals in Iraq, they are preparing for an influx of up to 50,000 refugees through Jordan. Meetings with Federation and ICRC Presidents and senior staff, as well as the U.S. Ambassador to Switzerland, Rolf Bode Mueller, who is responsible for all U.S. coordination with international organizations, including the ICRC and the Federation, were fascinating. These meetings highlighted the need for International Humanitarian Law guidelines as well as opportunities for the American Red Cross' continued operational support. The American Red Cross needs to build upon our close and productive arrangement with the ICRC. Jacob Kellenberger, President of the ICRC, is a good personal friend and is giving positive leadership to a very talented and motivated staff. ICRC can be our strongest ally.

The Federation is at a critical point. President del Toro has shifted the emphasis from the Federation being an operating entity to one of being a coordinating agency. It is a cultural shift. Declining funding is forcing a 20 percent staff reduction over the next two years. This could result in the American Red Cross becoming a stronger player if we wish to take a leadership role in addressing global health and safety and disaster preparation and response needs in other regions and countries. It would move the American Red Cross from being reactive to proactive. This will always need to be accomplished either through the Federation or through bilateral or multilateral arrangements with other national societies.

Also, while in Geneva, the President of the Palestine Red Crescent Society (PRC), Younis Al-Khatib and I signed the first Memorandum of Understanding between our organizations. The signing had been initially planned as a joint signing ceremony in Tel Aviv with the Israeli Magen David Adom (MDA). However, President Al-Khatib was concerned that if he left Palestine for Tel Aviv, he would not be permitted to return to Ramallah. I found President Al-Khatib to be a thoughtful leader who has managed the PRC in the most stressful of times. He spends three or four nights a week in his office in Ramallah, as the city is under a dusk to dawn curfew. He related an experience where he was picked up by Israeli police one evening, held in a detention camp, shackled and beaten. It took the full force of the ICRC, several national embassies, and the MDA to secure his release. Despite this, President Al-Khatib was seemingly devoid of anger and spoke about the plight of his people with a resigned sorrow. President Al-Khatib condemns the Palestinian suicide bombing and the excess of force by Israel, but points out that they are the consequences of long-term occupation and until the occupation of Palestine ceases, he sees no opportunity for peaceful co-existence.

From Geneva we traveled to Amman, Jordan where we were hosted by Dr. Mohammed Al-Hadid, President of the Jordan Red Crescent. In addition to discussing regional and international issues of mutual interest to our Societies, Dr. Al-Hadid arranged an audience with King Abdulla. The King was gracious and relaxed, but focused on the Iraq situation. In the Gulf War his father sided with

Iraq, at a large economic and political penalty to Jordan. Close economic ties with Iraq continue, and King Abdulla's challenges are no less difficult than his father's as Jordan is now the home to a large portion of the 4.5 million Palestinian refugees.

Princess Servath, the wife of King Hussein's brother, hosted a dinner for us and presented to me on behalf of the American Red Cross a gold medal and symbols of Jordan. It was a gracious occasion and the Red Cross museum will be the beneficiary. The Princess was outspoken in her political opinions regarding Israel and we had a spirited discussion about what constitutes terrorism.

We drove from Amman to the Israeli border, traveling through spectacular desert mountain country, pass the Dead Sea, the lowest point on earth, and into the lush Jordan Valley. At the King Hussein Bridge checkpoint to cross the Jordan River, I proudly had my picture taken in front of an MDA bus with "donated by the Chicago Chapter of the American Red Cross" painted on its side. The photographer, Brian Majewski, was detained and questioned about the "reason" for the picture, as it was in a high security area. From this point on our journey was continually marked by security checkpoint delays. Even with VIP status, it took us two hours of processing, searches, and other clearance activity to get across the Bridge. For hundreds of others, it took much longer.

Driving from the Jordan Valley to Tel Aviv, you pass numerous examples of Israeli settlements in Palestinian land. Some are small - many are very large cities. You witness that the investment in creating settlements to establish "rights" in Palestinian territory is huge and, in most cases, these decisions are irreversible.

In Tel Aviv, we visited the MDA headquarters. MDA is a strong service organization with an \$80 million operations budget, of which nearly \$10 million comes from US based donors. Three-quarters of their budget is derived from reimbursement for services. They operate virtually all of the ambulance services for the country, including the military, and they collect and process all of the country's blood. They also have a modern but uneconomic fractionalization plant to process plasma. Their governance structure has three people - a chairman who is a former General, a government appointed President, and another ex-General who is the managing director. The three have different views on the role of MDA in the region and in the Federation, leading to dysfunctional strategic direction.

Only about one percent of the medical emergencies to which MDA responds are the result of terrorist activity. Unquestionably, the insecurity that comes from terrorism has the country on edge. The Israeli deaths are averaging twenty-five a month and are random in occurrence. MDA has a remarkable youth program and many of these volunteers come from America for three to four month stays. MDA vests them with great responsibility - almost equivalent to paramedics - without the credentials. The reward of saving lives during such an unstable time inspires these volunteers, however, such a program would not be practical or possible in the U.S.

MDA Chairman Yochanan Gur and I signed a comprehensive Memorandum of Understanding highlighting ways in which our two organizations will continue to work together as well as expressing our continued support for MDA's membership in the International Red Cross and Red Crescent Movement. This historic event was done with great ceremony and media coverage. This public recognition and indication of support was of great importance to MDA.

In the days following the signing ceremony, we visited Hebron, a Palestine city under occupation, and Ramallah, the headquarters of the Palestine Authority. The PRC has seven or eight branches in Palestine, but Ramallah is their headquarters. Some observations on the Palestinian situation:

- Movement between cities for Palestinians is extremely difficult. They cannot use the highways so must resort to back roads that are often blocked with barriers erected by the Israeli army. Checkpoints are everywhere. One day we had to show our passports ten times and going through checkpoint was a slow process despite our travel in ICRC vehicles with Red Cross flags. For Palestinians it often takes hours and they are made to sit outside in the hot sun, humiliating at best. These restrictions on travel have devastated the Palestinian economy. For instance, food is trucked in from Jordan with it being unloaded, X-rayed and reloaded at every checkpoint.
- At the PRC headquarters in Ramallah, they have a command center to coordinate the movement of their hundred plus ambulances and other humanitarian response actions. The headquarters has been under periodic gunfire and we saw three destroyed ambulances, two with bullet holes and one crushed by a tank. Other ambulances have been stopped and trashed in search procedures. PRC has lost twenty-five ambulances, since the conflict began 18 months ago.
- The PRC operates a "communication center" in Ramallah to train deaf or blind children how to communicate. The social mores in Palestine and genetic balances have led to a greater prevalence of blindness and deafness than in other societies. PRC enrolls sixty students per year at a cost to PRC of \$2,000.00 per student. It is the only program of its kind in Palestine.
- Other challenges for the PRC include a door to door education program regarding unexploded ordnances and a raising malnutrition rate.
- Dialogue, cooperation and coordination between the PRC and MDA exists and are phenomenal considering the ongoing conflict.

Without exception, all the leaders with whom we met during this trip expect a short, intense war with Iraq. However, their opinions are based on varying views, the most significant being that the existence in Iraq of weapons of mass destruction – primarily chemical and biological weapons and possibly "within a year" of a thermo nuclear device. This reality continues to increase the sense of instability of the Middle East area. Palestinian leaders, as well as others, were open in their view that a confrontation with Iraq will give Israel the excuse it needs to push Palestinians into Jordan and lay final claim to their lands.

#### Closing Observations:

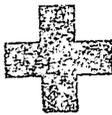
The issues shaping the Middle East are complex and seemingly intractable. In accordance with the principles of the movement, the American Red Cross must be neutral and on invitation provide for

humanitarian services to those in need. I suspect that our commitment and capacity to respond will be tested severely in the months ahead.

I share with you the following strategic observations:

- The divisions and hardening attitudes observed in Europe suggest that as the American Red Cross grows in strength as a national society, it will be important to foster multilateral and bilateral alliances to deal with man-made and natural disasters and to address health and safety issues.
- The MDA issue looks difficult in terms of a quick resolution. It will require a diplomatic conference to resolve the emblem issue but this will only be possible if there is an easing of tension in the Middle East. In the interim, the MOU's with MDA and PRC provide an opportunity to support both Societies in an even-handed way. With MDA being included in all Federation activities now, the price for their exclusion is more one of optics than substance. We need to continue to be a constructive force in resolving this as it takes too much time and energy to leave it an open issue.
- The American Red Cross needs to be on high alert relative to the potential – and high likelihood of an Iraqi war. ICRC and the national societies are preparing their systems for an influx of refugees and for health care demands. While we cannot have a visible presence in Iraq, we can support the Jordan Red Crescent, the PRC and MDA in a substantive manner. I will suggest to Marty that she establish an ad hoc planning group including AFES, International Disaster Response, Food Distribution, Communications and Development, for the purpose of identifying opportunities to coordinate with and assist other Societies as they address the refugee and health concerns arising from a possible war.
- Neither the American Red Cross or the Federation have good external communications to educate and inform our critical audiences – donors, Congress, other NGO's, etc. – of the extraordinary contributions that we make. Improved communications need to be combined with a much stronger international development effort. Given the potential for new natural disasters, the prospect of an AIDS-HIV epidemic of enormous proportions in China, India and Russia and other health and safety needs, the American Red Cross should be prepared to make a greater contribution that will enhance our position both domestically and internationally. It is consistent with being more proactive on the world humanitarian scene. This should be a high priority for the Board and management.

I welcome your feedback on these issues. Throughout the trip, I was reminded that the American Red Cross does a tremendous good in our country as well as internationally. I am appreciative to you for making that possible.



American  
Red Cross

20 ~~Jan~~ 2002

TIONS

Maady -

Interesting report - there  
are sections of this and  
as on page 24 that have  
relevance to ARC -

Secretary Ridge has  
his work cut out for him -

DAVID T. McLAUGHLIN  
46 Newport Road, Suite 205, New London, NH 03257

TIONS

STEPHEN E. FLYNN,  
PROJECT DIRECTOR

SFC-ARC-A001151

COUNCIL ON FOREIGN RELATIONS

AMERICA—  
STILL UNPREPARED,  
STILL IN DANGER

REPORT OF AN INDEPENDENT TASK FORCE  
SPONSORED BY THE COUNCIL ON FOREIGN RELATIONS

GARY HART AND WARREN B. RUDMAN,  
CO-CHAIRS  
STEPHEN E. FLYNN,  
PROJECT DIRECTOR

SFC-ARC-A001152



**American  
Red Cross**

**National Headquarters**  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

October 3, 2002

Jean-Marc Chapus  
Trust Company of the West  
11100 Santa Monica Boulevard  
Suite 2000  
Los Angeles, CA 90025

Dear Mr. Chapus:

On behalf of the American Red Cross and our board of Governors, I wanted to express my gratitude to you and your associates for the TCW/ Crescent Mezzanine Funds gift of \$75,000 and for the TCW Shared Opportunity Funds gift of \$50,000 to the Red Cross Liberty Fund. Your support of those affected by the disasters of 11 September means a great deal to the families and victims of that tragedy as it does to the entire Red Cross organization.

We anticipate having distributed most of the Liberty Fund in accordance with the donor's intent by the end of the year and will use approximately fifteen percent of the Fund for the provision of emotional counseling to the victims families over the next several years.

Again my thanks for your generosity and the spirit in which it was given.

Regards,

David T. McLaughlin

bcc: Marty Evans ✓  
Michael Leven

*Together, we can save a life*

SFC-ARC-A001153



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

October 3, 2002

Mr. Stephen F. Bollenbach  
President and CEO  
Hilton Hotels Corporation  
9336 Civic Center Drive  
Beverly Hills, CA 90210

Dear Steve,

I enjoyed having the opportunity to visit with you in Los Angeles and to express the gratitude of the American Red Cross for Hilton's extraordinary generosity. You and your associates have been wonderful partners and we look forward to working with you in the future.

I mentioned our visit to Sherry Lansing – a new Governor of the Red Cross – and she was delighted. Through my association with Viacom, I have gotten to know Sherry and think the world of her. Interestingly, she thinks the same of you.

With best wishes for your continued success.

Regards,

David T. McLaughlin

bcc: Marty Evans ✓  
Jim Haigwood  
Sherry Lansing  
Skip Seitz

*Together, we can save a life*

SFC-ARC-A001154



**American  
Red Cross**

**National Headquarters**  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

October 3, 2002

Mr. Fred J. Ali  
President and Chief  
Administrative Officer  
Weingart Foundation  
1055 W. Seventh Street  
Suite 3050  
Los Angeles, CA 90017-2305

Dear Fred,

I was delighted to have an opportunity to visit with you in Los Angeles and to discuss the current state of affairs at the American Red Cross. As I indicated, I believe that after a challenging year, the organization is now moving ahead very effectively with a new sense of purpose and confidence. We learned how to respond more effectively to the expectations of our donors, clients, and the public and under the leadership of Marty Evans, the organization is being inspired to embrace change and get on with our future. I am very optimistic.

We are most grateful to you and the Weingart Foundation for your steadfast support and I know that Jim Haigwood is anxious to meet with any of your Trustees whom you feel would be helpful in sustaining our constructive relationship.

Again my thanks - Alaska was terrific and I brought them your greetings.

Sincerely,

David T. McLaughlin

bcc: Marty Evans ✓  
James Haigwood

***Together, we can save a life***

SFC-ARC-A001155

manatt  
jones

GLOBAL  
STRATEGIES

1501 M St., N.W., Suite 700  
Washington, D.C. 20005



*E*

James R. Jones  
Manatt Jones Global Strategies, LLC  
Phone: (202) 463-4375  
email: jjones@manatl.com

October 1, 2002

**TO - CHAIRMAN DAVID MC LAUGHLIN**

**PRESIDENT MARTY EVANS**

**CEO OF BIOMEDICAL SERVICES RAMESH THADANI**

**FROM - JAMES R. JONES**

*J*

**SUBJECT: VISIT TO TULSA AREA CHAPTER**

On Friday, September 20, I visited the Tulsa, Oklahoma, Area Chapter and met with Roger Dahl, Dr. Lowell Tilzer and Chapter Board Chairman Duff Weddle.

It was very informative and helpful. The Chapter services work seems to be doing well with several exemplary outreach programs as well as a certain emphasis on youth involvement. The Blood Services work has been reduced in scope and it has lost some key customers. However, they seem to be adjusting reasonably well.

The one theme on which everyone agreed was the very positive acceptance of Marty as the new leader.

manatt  
jones

GLOBAL  
STRATEGIES



**Fax Transmission**

Manatt Jones Global Strategies, LLC  
1501 M Street N.W., Suite 700, Washington, D.C. 20005  
Telephone: 202.955.3940 Fax: 202.955.3941

Fax Number:

Confirmation Number:

To: Marty Evans, President, Red  
Cross

202-783-3432

202-639-3182

From: Susana Cervantes

Date: October 1, 2002

Pages including cover:

2

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SFC-ARC-A001157

**Prevatte, Carolyn**

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**From:** Douglas, Cheryl  
**Sent:** Monday, August 05, 2002 11:20 AM  
**To:** Prevatte, Carolyn  
**Subject:** FW: E-mail from David McLaughlin re Media Coverage (e-mail from Barry White, Piedmont Chapter)

**FILE**

**Importance:** High  
Carolyn: FYI

Cheryl Douglas  
American Red Cross  
Office of the President and CEO  
Telephone: 202.639.3182  
Fax: 202.783.3432  
email: douglasc@usa.redcross.org

-----Original Message-----

**From:** Henderson, Barbara  
**Sent:** Monday, August 05, 2002 11:00 AM  
**To:** Evans, Marsha; Daley, Deborah; 'fhg@hutch.com'; 'bbernhard@verner.com'  
**Cc:** Douglas, Cheryl; Horan, Patricia  
**Subject:** E-mail from David McLaughlin re Media Coverage (e-mail from Barry White, Piedmont Chapter)  
**Importance:** High

FYI"

Dave

-----Original Message-----

**From:** Barry White [mailto:bwhite7@bellsouth.net]  
**Sent:** Wednesday, July 31, 2002 6:24 PM  
**To:** orionsafety@tds.net  
**Subject:** Media Coverage

August 5, 2002

Dear Mr. Decker,

I have been associated with the American Red Cross for 32 years. During this time I have proudly served in several professional capacities and on several disaster assignments, including two weeks in New York City this past December.

I think everyone has become increasingly distressed over the recent negative news media beginning with Bill O'Rielly, followed by 60 Minutes, and finally this week's coverage on CBS Evening News. These events have been extremely depressing to our valued volunteers and staff who are on the front lines each and every day. The people who are going to be hurt the most are the future disaster clients if the American Red Cross is no longer capable of providing assistance

according to our current standards.

In November, we were informed by the public relations department at National Headquarters that the chapters will need to lead us out of this pit. While this may be true, we need some help. Feel good, human-interest stories of the good the Red Cross is doing will only go so far. We need to stage an aggressive public relations campaign to get our story of corporate and public accountability to the people. National Headquarters possesses the mechanisms to accomplish this. Chapters surely do not. All of these negative stories are making us look terrible to the people we want to help and those individuals we count on for financial support. The fact that the stories are slanted and filled with half-truths is not relevant. The Piedmont Chapter as well as other chapters are looking to you to take the lead and do something dynamic and positive – **NOW**. Just as Peter Finch said in the movie **Network**, "I'm mad as hell and I'm not going to take it any more!", we need to develop the same attitude - starting **today**. Mr. Campbell is a great co-worker but is not being given the time or the courtesy to get his points across.

Many people I have spoken to feel that it is pretty obvious that Dr. Healy is behind the current round of attacks. Let us not just stand there and get clobbered. Get our story out of why she left the Red Cross and how much better things are today including accountability. Why should we allow her to save face at the expense of this wonderful organization?

If Senator Mitchell really meant the words spoken at the convention in Phoenix, have him go on the circuit (especially CBS, O'Reilly, etc.) to tell the World how honorable we have been with the Liberty Funds. He is so creditable that people cannot help but to believe his story. His words were great to hear at the convention. However, they are meaningless if they do not get to the public.

Thank you for taking the time to read this note that is obviously filled with passion and frustration.

Respectfully yours,

Barry White  
Chapter Manager  
Piedmont Chapter  
864-583-8000



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

July 26, 2002

Ms. Rebecca Contreras  
Special Assistant to the President  
and Associate Director of the Office  
of Presidential Personnel  
The White House  
Washington, D.C. 20502

Dear Rebecca,

We are indebted to you for a number of kindnesses. Joan told me of your gracious offer to include our American Red Cross Grand Canyon Chapter officials on your personal tour of the White House. They expressed their gratitude by saying, "it was an experience of a lifetime".

I am also appreciative of your efforts to make certain that I received President Bush's appointment letter as Chairman of the American Red Cross in time for the 2001 National American Red Cross Convention. Although there have been days over the past year when I wished the letter had been misplaced!

You are a good friend - many thanks.

Regards,

David T. McLaughlin

bcc: Marty Evans ✓

*Together, we can save a life*

SFC-ARC-A001160



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

July 26, 2002

Mr. Juan Manuel Suarez del Toro  
President  
International Federation of Red Cross  
and Red Crescent Societies  
P.O. Box 372  
CH-1211 Geneva 19  
SWITZERLAND

Dear Mr. Suarez del Toro:

I appreciated receiving your letter of July 2<sup>nd</sup>. We are pleased to accept the Governing Board's invitation to appoint an expert from our National Society to participate in the work of the HIV/AIDS Governance Group, as noted in Decision 10.2 of the Governing Board's June 13<sup>th</sup> meeting. The American Red Cross would like to designate Dr. Mark Grabowsky as our expert for the group, with Mr. David Hughes as his designated backup.

The Federation's efforts to reinforce and scale-up our global response to the HIV/AIDS epidemic are of utmost importance. We will do everything possible to ensure that the expertise available to our National Society is brought to contribute to the work of this group in its advisory role to the Governing Board and 2003 General Assembly.

Regards,

David T. McLaughlin

bcc: Marty Evans ✓  
Carol Ann Haake  
Gerry Jones



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

July 26, 2002

William W. George  
Chairman of the Board  
Medtronic, Inc.  
4900 IDS Center  
80 South 8<sup>th</sup> Street  
Minneapolis, MN 55402

Dear Bill,

I had the occasion to read your comments in "Director's Monthly" on corporate governance. As always, you were articulate and right on in terms of the issues and the corrective course of action. I have been giving essentially the same message in the boardrooms where I sit. Unfortunately, many of our colleagues in the business world still do not get it.

The Red Cross is doing well. We have a fine new President who comes on board 5 August and we seem to be getting everyone on the same page which is not easy with over a thousand chapters and when everyone has access to e-mail. I am anxious to have you meet Marty so let me know if you have time when you are in the States this summer.

Hope all is well and that you are enjoying your new life style.

Regards,

David T. McLaughlin

bcc: Marty Evans ✓



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

July 26, 2002

Mr. Mikio Kato  
The International House of Japan  
11-19, Roppongi 5-chome  
Minato-Ku, Tokyo 108-00032

Dear Mikio,

I appreciate your recommendation that I become more acquainted with Tadateru Konoe, Vice President of the Japanese Red Cross. Last November I did briefly have the pleasure of meeting Mr. Konoe in Geneva at our biannual meeting of 179 national societies from around the world. Unfortunately, pressing business in Washington prevented me from spending more time with him on that occasion.

Mr. Konoe also visited the American Red Cross early last October to deliver the first of many generous checks for September 11<sup>th</sup> relief on behalf of the people of Japan, eventually totaling more than \$15 million. We are eternally grateful for the support we received from our sister societies in the wake of this tragedy.

I would be pleased to visit Mr. Konoe and the Japanese Red Cross the next time I am in Tokyo. I will surely let you know well in advance so we too can see one another and would be grateful for your intervention with Mr. Konoe at that time.

Regards,

David McLaughlin

bcc: Marty Evans ✓  
Brian Majewski

*Together, we can save a life*

SFC-ARC-A001163

C

The International House of Japan, Inc.

Fax: 603-526-7324

June 20, 2002

Mr. David T. McLaughlin  
President Emeritus  
Aspen Institute  
The Gallery, Suite 205  
48 Newport Road  
New London, NH 03257

Dear David:

It was indeed a surprise and pleasure to be able to see you and Judy at the graduation of our son from the Tuck School. You were kind enough to stay on to meet our son, who is now back to his job at NTT in Tokyo.

The name of the person I would like you to get acquainted with is Tadateru Konoe, Vice President of the Japan Red Cross Society. He is the younger brother of Morihiro Hosokawa, a former Prime Minister of Japan and married to an imperial niece, the daughter of younger brother of Emperor Hirohito. I came to know him fairly well through the Prince Konoe Scholarship Program, established in 1986 at Princeton by a wealthy American in honor of Prince Fumitaka Konoe, Tadateru's father, who died in Siberia as a POW. Tadateru was adopted son of Prince Fumitakam Konoe, who studied at Princeton and whose father was also Prime Minister of Japan twice before the War and committed suicide shortly after the end of the War. Mr. Matsumoto, the founder of the International House was a member of the "brain trust" of Prime Minister Konoe. Mr. Tadateru lives a stone's throw from the I. House. He will definitely be President of Japan Red Cross Society in due course, that's why I hope you will get to know him the next time you visit Tokyo. Tadateru makes frequent overseas trips. So please let me know your travel plans to Tokyo well in advance.

With warmest regards,

Sincerely,

*M. Kato*  
Mikio Kato



National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

July 23, 2002

The Honorable Charles E. Grassley  
Ranking Member, Senate Committee on Finance  
United States Senate  
219 Dirksen Senate Office Building  
Washington, DC 20510-6200

Dear Senator Grassley:

I appreciated your taking the time to meet with Nancy Lee Siebenmann, Harold Decker, Jan Lane and me on July 17, 2002. We take seriously your concerns about the manner in which the American Red Cross has responded to the needs of the country immediately after 11 September 2001 and in the intervening months. We hope that our response of June 14, 2002 to your inquiry is satisfactory.

The Red Cross is committed to having an open dialog with you, Congress and the State Attorney General – we would welcome your guidance on how we could do this more effectively.

Again, my appreciation for your time and that of Mr. Zerbe.

Regards,

A handwritten signature in black ink, appearing to read "David T. McLaughlin", written in a cursive style.

David T. McLaughlin

cc: Harold Decker

bcc: Marty Evans ✓  
Jan Lane

*Together, we can save a life*

SFC-ARC-A001165



**American  
Red Cross**

**National Headquarters**  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

July 22, 2002

Juan Manuel Suarez del Toro  
President  
International Federation of Red Cross  
and Red Crescent Societies  
c/o Spanish Red Cross  
Rafael Villa, s/n. (Vuelta Gines Navarro)  
28023 El Plantio  
Madrid, Spain

Dear Juan Manuel,

During your visit here two months ago, I appreciated the opportunity we had to discuss matters relating to the Federation and the American Red Cross frankly and openly. Thus in that very same spirit, I want to share some thoughts and decisions with you.

The American Red Cross appreciates the steps that the Movement has undertaken to reach out to Magen David Adom, most notably the Standing Commission's Working Group activity. We will continue to support such efforts.

Unfortunately, our goal of full inclusion of Magen David Adom in the Movement has not yet been realized and thus our Board policy on the withholding of our annual bareme payment to the Federation remains unchanged. However, to prevent an unseemly accumulation of unspent (bareme) funds in a world where too much suffering exists, the American Red Cross will recognize a two-year bareme liability only. The International Services Department has been instructed to utilize funds normally used for the bareme beyond the two-year obligations for international humanitarian activities. Our International Services vice-president, Gerry Jones, will be in communication with his counterpart as we

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SFC-ARC-A001166

Juan Manuel Suarez del Toro  
July 22, 2002

Page 2

move forward to program these funds. While we will make the final decision on how these excess funds will be used, we are anxious to work with you and the Federation to leverage the investments to further our humanitarian mission.

Regards,



David T. McLaughlin

bcc: Marty Evans ✓  
Gerry Jones

SFC-ARC-A001167



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

July 22, 2002

President John J. Sweeney  
AFL-CIO  
815 16<sup>th</sup> Street, NW  
Washington, DC 20006

Dear President Sweeney:

The long-standing partnership between the American Red Cross and labor is invaluable to the success of our mission.

I have recently become aware of the breach of trust that occurred when Dr. Healy rejected Bill Lucy, your nominee to our Board of Governors. I deeply regret this as she made this decision without any consultation with the Board of Governors. It was a unilateral decision and an unfortunate mistake.

Nonetheless, we are anxious to rectify the situation and get our relationship back on track at the highest level. I would suggest that the first step would be to arrange a meeting with you if you are agreeable to doing so. At that time I would like to introduce you to our new President and CEO, Marsha Johnson Evans, who will be coming on board August 5<sup>th</sup>. I have asked Cindy Fithian to coordinate our schedules with yours, and it is my hope that we will be visiting with you at your headquarters very soon.

It is a new day at the American Red Cross. I look forward to working with you, and your nominee to our Board of Governors and am grateful for your support.

Regards,

David T. McLaughlin

cc: Marsha Evans ✓  
bcc: Cynthia Fithian

*Together, we can save a life*

SFC-ARC-A001168

# Memorandum

**To:** Chris Allen, Bill Lewis  
**From:** David McLaughlin  
**Date:** 07/26/02  
**Subject:** Retreat Finance Agenda

Chris and Bill,

I have no problem with the enclosed. I do want to challenge you to work directly with Marty and me to analyze carefully the following:

- Are the financial reports structured to provide management and the board with the ability to assess whether our resources are adequate and focused on achieving our priorities and to measure management accountability in meeting its goals?
- Are we able to anticipate financial problems in the system and to respond to them before they become serious?
- Are we able to see how resources are allocated and to confirm that they are consistent with the five-year financial plan?

My concern is that we are reactive – not proactive. The Finance Committee needs to support Marty's leadership but to work with both of us and the Executive Committee to assure that the Governors' concerns are addressed. It may be that management and the Governors will want to engage outside resources that can help us address these issues. I would support that approach, if you decide to go in that direction.

Thanks.

bcc: ✓ Marty, you and I should discuss soon.



**American  
Red Cross**

*Together, we can save a life*

# Fax

**American Red Cross  
430 17<sup>th</sup> Street, N.W.  
Washington, D.C. 20006**

**David T. McLaughlin, Chairman**  
Barbara Henderson, Assistant to the Chairman

To: Chris Allen - (313) 535-6569  
Bill Lewis (570) 829) 4784

From: Joan for  
Barbara Henderson

---

Phone:

---

Direct Phone: (202) 434-4035  
Direct Fax: (202) 434-4057

---

Fax:

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Date: July 25, 2002

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Re: **Retreat Finance Agenda**

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Pages:   4   (including cover)

**CONFIDENTIAL**

Message:

Attached is David McLaughlin's memo to you dated July 26, 2002, with attachments, regarding the Retreat Finance Agenda.

SFC-ARC-A001170

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\*\*\* TX REPORT \*\*\*  
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**American  
Red Cross**

*Together, we can save a life*

# Fax

American Red Cross  
430 17<sup>th</sup> Street, N.W.  
Washington, D.C. 20006

**David T. McLaughlin, Chairman**  
Barbara Henderson, Assistant to the Chairman

To: Chris Allen - (313) 535-6569  
Bill Lewis (570) 829) 4784

From: Joan for  
Barbara Henderson

Phone:

Direct Phone: (202) 434-4035  
Direct Fax: (202) 434-4057

Fax:

Date: July 25, 2002

Re: Retreat Finance Agenda

Pages: 4 (including cover)

**CONFIDENTIAL**

Message:

SFC-ARC-A001171

Attached is David McLaughlin's memo to you dated July 26, 2002, with attachments, regarding the Retreat Finance Agenda.

# Memorandum

**To:** Chris Allen, Bill Lewis

**From:** David McLaughlin

**Date:** 07/26/02

**Subject:** Retreat Finance Agenda

Chris and Bill,

I have no problem with the enclosed. I do want to challenge you to work directly with Marty and me to analyze carefully the following:

- Are the financial reports structured to provide management and the board with the ability to assess whether our resources are adequate and focused on achieving our priorities and to measure management accountability in meeting its goals?
- Are we able to anticipate financial problems in the system and to respond to them before they become serious?
- Are we able to see how resources are allocated and to confirm that they are consistent with the five-year financial plan?

My concern is that we are reactive – not proactive. The Finance Committee needs to support Marty's leadership but to work with both of us and the Executive Committee to assure that the Governors' concerns are addressed. It may be that management and the Governors will want to engage outside resources that can help us address these issues. I would support that approach, if you decide to go in that direction.

Thanks.

*Cops for David McLaughlin  
per Chris Allen's request*

## FINANCE COMMITTEE

Thursday, September 12, 2002, 2:00 PM EDT  
Airlie, VA

**DRAFT**

### AGENDA

1. Roll Call.
2. Approval of the Minutes of the May 31, 2002 meeting. (Minutes mailed with agenda.) Action
3. Roles and Responsibilities, Finance Committee
4. Strategic Financial Issues
  - Business Drivers and Risks
  - Key Operating Metrics
5. Investment Committee Report. (Materials Attached.)
6. Operations Report by Business Segments. (Materials Attached.)
7. Informational Reports. (Materials Attached.)
8. Other.
9. Executive Session.

SFC-ARC-A001173



Douglas, Cheryl

INFO

**From:** Henderson, Barbara  
**Sent:** Monday, August 05, 2002 10:07 AM  
**To:** Evans, Marsha; altroyintl@aol.com; amy@earthlink.net; anthony.principi@mail.va.gov; bgagliano@ulmer.com; bill.george@medtronic.com; bkassoc@aol.com; brede001@mc.duke.edu; buzz.heidt@thepenrodcompany.com; c.wilkinson@asu.edu; callen@familyroad.com; Carol Ann Haake; devans@doc.gov; director@fema.gov; drlee@goldsteinoptometry.com; elyerly@lyerly.com; eric.andell@ed.gov; ermittchell@ermitchell.com; fhg@hutch.com; forbeska@aol.com; gwhite@aismail.wustl.edu; hawkins@dinslaw.com; hhsmail@os.dhhs.gov; hoffman.joyce@principal.com; jamest.morris@wfp.org; jjones@manatt.com; judithrichardshope@paulhastings.com; karen\_goodman@ceo-stlouis.org; lewis@crossnet.org; lois.theiler@js.pentagon.mil; m.kicklighter@mail.va.gov; mauricewworth@cs.com; miscionenm@state.gov; nansieb@crossnet.org; ogdenr@optonline.net; pam\_bailey@huntsman.com; ppowers@midohio.net; ratkinson@washsports.com; richard\_niemiec@bluecrossmn.com; rlinder@hrva.com; robert.smolen@pentagon.af.mil; shassmiller@rwjf.org; Steve Carr; trisha\_O'Brien@paramount.com; whalen81DD@aol.com; William Grinnan, Jr.; wmathies@pacbell.net  
**Cc:** Man, Joan; Morisi, Andrea; Douglas, Cheryl  
**Subject:** E-mail from David McLaughlin - Staff Letter from Cathy Tisdale

David asked me to forward to you the attached letter to the Grand Canyon Chapter staff from Cathy Tisdale, Chief Executive Officer, American Red Cross, Grand Canyon Chapter.



All Staff  
Letter\_.doc (45 KB)

*From the desk of Cathy Tisdale*

**To: All Staff**

**Date: July 29, 2002**

It's hard to believe that we've "been together" as new leadership and staff for nearly a month! We joke (but just barely!!) about events of the same period – and certainly, this was not the way I expected to enter my position here. You know – AZ is **not a disaster prone state!!** That said, I am a little off schedule with a few things and communicating my Vision for Red Cross and my expectations of us all is high on the list.

I've heard it said recently that I'm a "workaholic" --- which actually is not the truth. However, it is true that with events of the past 4 weeks many of us have not had the luxury of setting and keeping a "normal" schedule. In fact, the CEO and senior leadership are the last ones who should retain the 8 – 5 regimen when things are in turmoil! Add to that the public issues arising from the wildfire (which cannot be overlooked), being new, trying to become acquainted with key staff and board members, learning our state, and addressing critical issues (like integration; the budget; staff allocation, board priorities, etc) that were not addressed prior to July 1 and you could surely have a picture of a "life out of balance"! But what is out of whack typically "rights" itself and I expect that to happen as we move past some of these events.

I have said enough to enough of you that I'm sure you have some sense of the direction we must go – not because it's what **I want** to do but because if we haven't been reminded of anything else in the past 10 months, it is that the public expects a great deal from us – almost without being conscious of it. Everyday, we have the opportunity to be 1 of 3 kinds of organizations – (1) the one that's failing to serve its Mission – (2) the one that does just enough to say it's do" doing its job" – or (3) the one that leads and isn't satisfied with less. The American Red Cross must be the one that leads – by example, through stewardship and by exceeding the needs of those we serve by their measure – not ours.

So what does that mean in practical terms? We must have a workforce (paid and volunteer) passionate for the Mission. I know I am and it is one of the reasons I am very good at what I do – because I – as do many of you – translate that passion into action on behalf of those we serve. My job – as with most leadership positions – is to serve: you, our clients and customers; and other critical stakeholders. Passion is demonstrated and communicated by each of us in different ways – some quietly and some boldly. But when the "fire" is there, it comes through – Red Cross is not a little 9 to 5'er that you can do and then just go home. It is a 24 hour a day/7 day a week job no matter what your title or your function – as evidenced by the past 4 weeks. There was not one member of our staff who should have considered that the disaster response did not include them. So for those of you we didn't see that first weekend or who didn't check in – be forewarned. **Everyone** serves when they work in an organization with a core business like ours.

**SFC-ARC-A001176**

Why am I so passionate? Why do I believe that we must be the leader among all others? Because through 25 years of experience, observation and study, I have seen no other organization compare to ours in its ability to touch people in their homes, their neighborhoods, their communities and their worksites. We “are there” when people vacation, we are there when they need to learn and we are there in their moments of struggle and tragedy.

What makes us distinct? It’s simple – we are neither a constituency-based nor an advocacy (issue)-based organization. In fact, our Red Cross Mission and the Fundamental Principles that direct our worldwide movement are essentially “blind” to the color or economic or religious or social status of the people we serve – because emergencies are “blind” – because family safety; personal safety and well being; and safety in the community and at the workplace are “blind”. The need to be safe and protect those we care about is “blind” to the things that normally make us distinct from one another.

One of the greatest deficiencies in our organization has been our failure to “tell the whole story”. We behave as though the only compelling image is that of a family or a community after a disaster. But talk to new parents who have completed “Infant/Child CPR” – or a young teenage girl who moves through one of our esteem-building programs. Their increased confidence that they are in control of their lives is every bit a headline as the scene stealing disaster. But as long as we market ourselves as a series of Health and Safety courses or CDE programs or emergency preparedness programs, that’s how the public will view us and the media will portray us. We must work backwards – by seeing people as “whole” – with many needs and expectations that different services can respond to uniquely and in blended fashion. The military family trying to reach their loved one today is a family who tomorrow will need water safety for their children who days later might witness choking or a heart attack on the job.

We must decide what we are about. Are we a series of unrelated programs and services for whoever figures out how to contact us or are we going to target our markets and the audiences we must reach? The **only** thing that prevents or limits our success is us. If we plan carefully, if we use information to make decisions, if we know and understand the people we serve, if we choose wisely when allocating resources and if we deliver our promise through the quality of services we provide, then we will be a leader. And those who can and should invest in us will.

What makes me most impatient? Well, there are a few things and some of them I think you may know already. But here’s David Letterman’s “Top Ten” List:

1. People who say: “*We tried that a few years ago and it didn’t work*”. I’m sorry – this is the West – nobody’s been around here long enough to use that sorry excuse.
2. People who assume they know the motive for everyone else’s behavior and then proceed to judge them accordingly.
3. People who say “*let’s think out of the box*” until it’s **their box** we ask to think outside of!

4. Doing what's convenient for us rather than what meets the consumer's need – that's why I am often uncomfortable with the number and density of policies and procedures some of our services “protect” – too often they don't just ensure consistency of service, they ensure rigidity and inflexibility of approach.
5. People who say they're team players right up until the time they're asked to adjust their methods or areas of “control” on behalf of a “greater goal”.
6. People who say “*yes but...*” and never say “*yes and...*”
7. People who can't see the forest for the trees –the people constantly “in the weeds”.
8. People who hide their gifts (their talents) – the rest of us need to make things work.
9. People who think the way we're doing things today will necessarily be sufficient next month or next year.
10. Lack of civility and kindness in the workplace. Americans are becoming rude in the name of “honesty” or “stress” or “being overworked” – whatever the reason is. We don't take enough time to just talk to each other – I have learned the most amazing things about many of our staff and board because I'm asking out of genuine interest and they're (you're) “telling”. In fact, I'm certain that if we all did more of that, our chances for misunderstandings and ineffective communication would diminish significantly!

So if there's a “bad” “Top Ten” List – then there must be a converse. And there is. Which I will use as my closure and to communicate what I value and expect from myself and from each of you. And on this list, **I do not waiver** – it is not a list of management “fads” – I've been pretty consistent for a very long time – the only thing that happens with leadership fads is that some new guru comes along and says the same things only he/she gets rich doing it! We must have:

1. Educated and intuitive risk takers – it is because of them that organizations advance. But there's a difference between the two -- the educated risk taker proposes innovation based on the application of some learning. The intuitive risk taker does so out of a sense that cannot be explained – the “*just trust me – I know this will work*” type. Both are needed.
2. People who aren't recognized as innovators but who contribute something equally as important. They figure out how to **execute – how to turn an idea into an actionable reality**. Otherwise, the “vision” is just a dream in someone's head.
3. People who can laugh in the face of adversity and pressure.
4. People who take the time to be kind to and considerate of others – and not because it's “their job”.
5. People who are never fully satisfied with the result but don't drive the rest of us crazy in the process!
6. People who truly are “experts in their field” because they remain life long learners – they never think they “know it all”. AND they expect to learn as much from those who have no related experience as they do from those who are leaders in their fields.

7. People who challenge one another in a positive manner through rigorous intellectual debate; challenging long held assumptions and being well-informed on the issues at hand.
8. People who have a passion for their work and know that their success contributes to the whole.
9. People who make work fun.
10. People who demonstrate respect for others and for themselves by being on time for meetings; being prepared to participate; completing assignments on deadline; doing the best work possible and contributing the best thought possible.

No doubt, you each have your own list – and no doubt yours may be as different from mine as it is similar. That’s OK. But just remember that the “farther up the ladder” you go, the more your list counts!!!

I look forward to what lies ahead of us. The Grand Canyon Chapter covers an awful lot of geography and literally millions of people as diverse from one another as are each of us to each another. But so very much more connects us– as I outlined earlier.

There are some things I wish as your new CEO – I wish we had more resources in place to launch this undertaking. I wish you could have focused more on ’03 planning over the last 6 months. I wish ’02 performance had been a little stronger – or at least more consistent. It would have made our efforts now that much easier and more predictable. I wish all departments worked together as well in “normal” periods as you have when “big events” required it. I wish some folks in northern AZ weren’t “mad” at us (wildfire related). **I wish Bernadine Healy had never been our President/CEO** (that might have taken care of everything else about last fall). I wish we could get back every last donor who walked away and any good will lost since then.

But we don’t get everything we want. That’s the bad news – the good news is that what we do get is far more powerful.

- ☛ We get to work for the one organization worldwide whose emblem is equally a symbol of help and of hope.
- ☛ We get to work everyday with people who (mostly) are as passionate about Red Cross as we are and who try to be the best they can be.
- ☛ We get to work with people who, one way or the other, just “figure it out” – and then “make it happen”!
- ☛ We get to see the impact of Red Cross on people nearly everyday.
- ☛ We get to see that despite some genuine disappointment, the vast majority of the American people still count on their Red Cross to be there in times of crisis – just look at Arizona’s response to the wildfire!

- We get to work with the most amazing “cast of characters” when you consider the size and diversity of experience among our staff – paid and volunteer—and our board.
- We get to be on the “front lines” of change – scary for some, I know – but we’re there because of the organization and Mission we represent.
- We get to see “help” become “self-sufficiency” – that “empowerment” word everyone likes so much.
- And on a really good day, we get to “stand down” – be quiet – take it easy – just like the rest of the world!!!

So here’s to the “new year”, new leadership (volunteer and paid) and new ways to serve. I would never have come here if I wasn’t certain that you and I were up to the challenge.



**American  
Red Cross**

**National Headquarters**  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

## Memorandum to the Board

From: David McLaughlin

Subject: Article "The Controversial Red Cross" by Richard Carter

Date: August 6, 2002

An interesting article that Steve Shulman, the Executive Director of the ARC Museum, shared with me. It is worth your reading.

Regards

A handwritten signature in black ink, appearing to read "D. McLaughlin".

cc: Marty Evans

*Together, we can save a life*

SFC-ARC-A001181

# THE CONTROVERSIAL RED CROSS

By Richard Carter

*Ever since its founding, the American Red Cross has inspired furious argument.*

*Is it commercial? Is it partial to officers? Is it rigged charity? Here are the answers.*

● In summarizing his admiration of the American Red Cross, a clergyman (non-Fundamentalist) once wrote, "If there were any evidence that such a place as hell really existed . . . the American Red Cross would at once organize a relief expedition."

It would not. Nothing in its congressional charter gives the Red Cross the authority to tinker with the hereafter. Red Cross policy is woven on a Federal loom and not one doughnut would be served on the River Styx unless the White House or the Congress or the State Department or the Defense Department approved.

The project would appeal to the Red Cross itself, of course. Aside from being a new frontier, hell would offer the agency its first opportunity to convey mercy to clients in absolutely no position to look gift horses in the mouth. The damned presumably have been convinced by now that they are *not* entitled to sunburn unguents, asbestos seat cushions, iced beverages or any other comforts the Red Cross might dispense. For the first time in its seventy-eight-year history, the Red Cross would encounter no gripes.

Important sections of the American public would view the prospects with relish. Innumerable former servicemen, having promised for years that they would see the Red Cross in hell before giving it a nickel, would now send nickels gleelessly. Red Cross headquarters in Washington would get a multitude of anonymous letters urging that the expedition include certain Red Cross girls who spent an undue amount of time with officers during World War II.

In the attendant uproar something that the Red Cross has long suspected would finally be confirmed: few Americans have the foggiest knowledge as to what the Red Cross is. As the boys on Madison Avenue would say, the image is blurred.

Even for me, utterly saturated in Red Cross lore and statistics and other central truths, the image remains skewed. This is because I attach social significance to my recollection of a Red Cross girl we used to pretend to tell time by. She would stroll across the coral of a Pacific island airbase every afternoon at four and disappear into the officers' club. She had a wide rump and the underprivileged used to gaze critically upon it as it passed. Sometimes she would arrive a few minutes late and one of the underprivileged would announce that he needed a new watch. "Gawdam watch is fast again. That old gal is still a-wagglin' toward the club and this watch says sixteen-hundred-and-ten hours and everybody *knows* she's always in there by sixteen hundred." And somebody else would remark that it was a boon to the war effort that the

woman patronized the bar so faithfully: "She couldn't hardly sit on less than two bar stools at a time, right? An' that frees an officer for active duty, right?"

If I had to, I probably could prove now, with all my lore and statistics and central truths, that the girl was not typical, or that she was within her rights, or that she was a great comfort to the enlisted man every day *before* cocktail time. Even so, the memory would remain.

In most of us the words "Red Cross" evoke similar fragments of recollection. To some, the institution is coffee before boarding a troop train; to others, it is the earnest lady who came to the hospital ward to see if you needed anything. To thousands, it is blood transfusions and the saving of lives. And to as many thousands it is an annual fund drive and a pushy one at that. To some, it is swimming instruction, life-saving in the water, or a handbook on first aid. Or the functionary who came to the flooded town and issued officious instructions on how to run a soup kitchen that the local ladies had been running for days; or an emergency furlough denied or granted; or free packs of cigarettes and the smile of solicitude; or the bureaucrats who gave Jones \$2100 after the hurricane and gave Smith only \$650. Or the organization that is always asking for money but has millions in the bank. Or is it just another bunch of dogooders—and who needs it?

That is a perfectly good question. In search of a fair answer, one goes sooner or later to Washington, the fountainhead of Red Cross policy. There, a midiron shot from the south grounds of the White House and right next door to the DAR's Constitution Hall stands Red Cross headquarters: three white marble buildings—huge, gorgeous piles of Vermont marble.

One would expect something more Spartan and less Grecian. With what was paid for those Ionic columns and elegant *torchères* the Red Cross could buy enough coffee to float the Atlantic Fleet and enough doughnuts to sink it. The first impression, then, is annoying.

It develops that things are less lamentable than the soaring marble porticoes suggest. Visitors are handed leaflets which explain that the two main buildings are war memorials built with philanthropic endowments; no regular Red Cross funds were diverted. One building celebrates the women who tended the sick and wounded of the Civil War (both sides, thank you). The other is dedicated to the women who served in World War I. The land on which they stand is public. Occupancy is by congressional leave and is intended to breathe life into the memorials by ensuring that the kind of self-sacrifice which they commemorate will be en-

couraged forever. The third structure, an office building without Ionic flourishes, had to be erected when the organization outgrew the adjoining shrines. It, too, is on public land and was paid for partly by Government and partly by found money.

The only shrine-like aspects of the memorial buildings are their architecture and the plaques, busts and relics which one finds dispersed through the halls, bespeaking the institution's long tradition of being in the thick of every war and natural calamity. As to calamities, some of the offices are furnished with pieces that could have been salvaged from the Joliet town flood. The corridor outside the office of the national president, Gen. Alfred M. Gruenther, is jammed with desks and filing cabinets and secretaries hard at work. Nowhere can the thrift-minded visitor discern the aroma of gray train. Typewriters clatter, telephones ring; people walk briskly through the marble halls with documents in their hands and frowns on their foreheads.

The people who work here, superintending the institution's national program, have their own image of the Red Cross. When one inquires they answer in language such as "The collective tenderness of the nation, efficiently organized," or, "An expression of our concern for one another in time of need." Let us see.

The first thing that needs to be known about the Red Cross is that it is a private organization, and stanchly so. It subsists on voluntary contributions of time, talent and funds. Except for real-estate grants it has never taken a penny from Government and vows it never will. It says that Federal financing would be a step toward Federal regimentation. At the same time the Red Cross is quasi-Governmental, and stanchly so. Regardless of its distaste for Federal regimentation it cherishes Federal auspices. The President of the United States is its honorary chairman; the Attorney General is its honorary counselor; the Secretary of the Treasury is its honorary treasurer. The Congress determines its primary responsibilities. The Defense Department audits its books. The Secretaries of Labor and of Health, Education and Welfare are members of its board of governors, along with a Deputy Under Secretary of State, and Under Secretary of the Treasury, a Deputy Secretary and two Assistant Secretaries of Defense and forty-two private citizens, many of whom are persons of considerable political influence.

From this sheltered relationship with authority the Red Cross derives its pre-eminence in the field of organized humanitarianism. Before 1900, when Congress chartered the Red Cross and defined its military and civil responsibilities

for the first time, the institution led a precarious existence. Nowadays it is firmly entrenched. It has 3700 local chapters, two million volunteers and 13,000 full-time experts in social-welfare, military-comfort and disaster-relief work, facilities at every sizable U. S. military installation on earth, forty-four million subscribing members and an annual budget that hovers around ninety million dollars. It is the busiest and farthest-flung instrument of privately financed mercy in the history of the world. Come high water or hell, the Red Cross is the agency most likely to be in official charge of organized succor.

If the emergency is a natural disaster in United States territory the Red Cross assumes command and can be depended upon to be dispensing food and blankets before the country at large knows an emergency exists. Where nuances of foreign policy are involved, or where national controversy seems likely, as in the hell situation, the Red Cross remains alertly aloof until appropriate branches of Government have been heard from. This tends to make the Red Cross only quasi-private, as well as quasi-Governmental, adding the burdens of expediency to those of mercy and occasionally provoking public confusion.

During the Thirties, for example, its relations with the politically beleaguered administrations of Hoover and Roosevelt caused the Red Cross to vacillate about helping millions of human beings who might otherwise have been considered eligible for American assistance. Among the most numerous of these were the American unemployed. Others were victims of the Sino-Japanese and Spanish Civil wars. Confusion as to Red Cross duties in the three situations was loudly evinced by a peeved public which thought the organization should have done more than it was doing, or less than it was doing, or should have favored one side or the other or no side at all. The Red Cross took a battering, and it does not like batterings. It wants to be loved. Indeed, it needs to be loved because love is where its funds and its volunteer workers come from.

In recent years the institution's ambiguous position has excited no clamor comparable to that of the Thirties, but it has not had an easy time; it never does. Its business is conducted under circumstances which guarantee that it will rub large numbers of human beings the wrong way. In the first place, its most crucial services require official, quasi-Governmental contact with servicemen and other sufferers who often are quick to see blemishes on any arm of authority, whether a helping hand is attached to it or not. In the second place, the Red Cross comes around and asks for money at least once a year. Without saying so it is constrained by financial necessity to imply that the soldier, his comrades, his relatives and his rooters owe the Red Cross a debt of gratitude, payable in cash, check or money order. This does not always sit so well. Most people undoubtedly feel warm and jolly about chipping in a few dollars so that the Red Cross can give free playing cards and candy bars to servicemen; there is something less jolly in the implication that patriots must write checks to the Red Cross lest there be no more blood transfusions for the nation's wounded.

Before any loyal Red Crosser gets an apoplectic fit it must be acknowledged that no private institution with a ninety-six-million-dollar budget and Federal auspices can be described as a pariah. But it is worth noticing that in this, a nation of surpassing generosity, only twenty-four million adults are sufficiently devoted to the Red Cross to give it an annual one dollar or more for membership. If you add the twenty million youngsters of Junior Red Cross you find that the organization has the support of about one quarter of the population, a statistic that would be impressive were the Red Cross not required to be available to the entire population.

The requirements are set forth in the congressional charter, an act of law which announces,

in effect, that there are certain human duties which the United States of America prefers not to discharge on a Governmental basis and dares not leave to chance. Forthwith, the American National Red Cross (the official title) is saddled with those duties.

By law, therefore, the Red Cross is the American public's principal means of administering emergency relief and post-emergency financial rehabilitation to victims of disaster. Also by law, the Red Cross is the public's sole deputy in helping to arrange emergency furloughs for servicemen, rendering social services to their families, bringing a touch of home to their camps and hospitals. Finally, in war the Red Cross is responsible for kindnesses to prisoners we take, and keeps in touch with those Americans who are prisoners of the enemy, thereby meeting the terms of the Geneva Convention.

Other Red Cross activities such as its magnificent blood banking, its instruction in water safety, lifesaving, first aid, home nursing, mother and baby care, its Junior Red Cross and collegiate youth programs, and so forth, occur on an enormous scale, varying from locality to locality according to individual chapters.

The local chapter is the heart of the matter. It may occupy a crusty old mansion complete with sculptured lawns, gingerbread woodwork and parquet floors, renovated plumbing, a paid executive secretary and paid publicist and other paid experts. Or it may be a hole-in-the-wall on the upper floor of a taxpayer, staffed entirely by volunteers. It may look a mess or it may be a model of efficiency, but it is a place of dedication. Its habitués are givers, people who have found meaning in the act of helping the needful. They love Red Cross work so much they can't get over it.

"I've got to do something worth while, for goodness' sake," says a housewife in Westchester county, N. Y., endorsing the idea that Red Cross is a more productive pastime than mah-jongg. "I could join women's clubs or attend art discussion groups, but I'd rather do something and in Red Cross we do."

Indeed they do. Depending on individual tastes and skills, they perform office duties in chapter headquarters, or run errands for patients in military hospitals, or act as nurses' aids or recreation workers or coffee-and-snack dispensers in such hospitals, or drive disabled veterans to ball games, or help out in blood banks, or teach first aid or swimming or canoeing, or make bandages and layettes, or help raise funds. Meanwhile they undergo training so that they will be able to do more than merely wring their hands if a hurricane strikes.

Most of them are women. Some are men and no less enthusiastic. A Pennsylvania restaurateur whose establishment was festooned with Red Cross posters explained happily, "When I came to the United States everybody was good to me. Very helpful. But the Red Cross was the first group that made me feel real at home. Know why? Because the Red Cross was the first to see that I didn't have to take help only but could also give help. See? They asked me to join. They asked me to help. I was proud."

Thousands of Red Cross volunteers are persons with professional skills essential to the agency's work. Physicians, nurses, social-welfare officials, teachers, attorneys and nutritionists contribute time as instructors or supervisors and are available in emergencies. Business leaders direct local fund drives.

The lady who pours coffee at the party in the Veterans' Administration hospital may seem to get a disproportionate amount of satisfaction from that unremarkable chore and make much ado about little. But when five houses burn down in the middle of the night and the head of the canteen committee whistles her up, she stands out there in the wind and pours coffee and makes no more ado about it--nor is her satisfaction at all disproportionate.

"Oh, it's wonderful!" chirrups a grandma who sits in chapter headquarters and telephones

assignments to volunteer drivers of Red Cross vehicles. "We take Gray Ladies to the V.A. hospital; and on a few minutes' notice any time of day or night we take eyes to the eye bank; and blood from hospital to hospital; and veterans and their families to treatment centers." She regards herself as an integral part of the medical team. "You see the progress of the boys," she says of the veterans at the psychiatric hospital. "First we take 'em home for a day, on leave. Then for three or four days. There's the blind boy . . . some of us knew him before he went to war. He knows that Red Cross is back of him! Oh, you get so much out of it!"

This is *esprit de corps*. It is not so ferocious as that of the Marines but is comparably adamant. The man who mocks his wife's Red Cross uniform is not likely to repeat the error. Until he learns to share her dedication, or at least understand it, his life is one moment of truth after another.

"First I had to get used to a bum dinner once a week," confided the man in the bar. "Tuesdays. The day she works in what they call Home Service. She's out counseling the wives of servicemen who are sick or in trouble or have too many wives. Then one evening she came home and told me she was off to the flood country to estimate how much money the Red Cross should give. We're now a Red Cross family for fair. I guess it's a good thing, but gee."

By now it should be plain that if Governmental protection is the secret of Red Cross status, the trained volunteer is the secret of Red Cross performance. The organization has developed apparatus of such magnitude and personnel of such skill (and such willingness to work for free), that neither Government nor any existing private institution could hope to do the same job at the same low cost without simply absorbing the Red Cross and carrying on with the old setup under new colors.

No doubt Government will eventually take over the financing of disaster relief so that persons who suffer through no fault of their own can get help as a human right rather than as a gift, with the bills underwritten by the entire nation rather than by those who donate to the Red Cross. Eventually, however, is a long way off. Although a considerable fraction of the population would probably favor immediate acceptance of this responsibility by Government, there is no organized movement in that direction.

In any case, it is difficult to imagine disaster relief being administered by any agency other than the Red Cross. Although the volunteer organization lacks the total support of our public it has become part of the blood and bone of America and indispensable, and might just as well be accepted as such. And the Red Cross might just as well accept itself as such. For it sometimes seems not to know its own strength. It has a tendency to truckle, becoming more Governmental and less private, and every time it truckles it gets bruised. The most spectacular bruise was incurred during World War II when the War Department became troubled because American troops in Europe had more money than their Allies. This, thought the Department, was harmful to Allied morale. So it was decided to buck up our Allies by inflicting some hardship on Our Boys. But what to do? It would be impractical to take away the soldiers' shoes or ammunition, or cut their pay. The only worthwhile alternative, concluded the Department, was to put a crimp in their leisure. Accordingly, the Red Cross was instructed, over the signature of Secretary of War Henry L. Stimson, to charge fees for the hospitality to off-duty troops in rear-area clubs. Other Allied servicemen paid for what they got in their rear-area clubs. If the Red Cross were to charge our troops the result would be kind of Allied togetherness, or kinship in discontent, certain to make England and France feel better and certain to hasten the unconditional surrender of the Axis.

Brilliant though this gambit seemed to the War Department, it was totally at odds with cherished traditions of the Red Cross. The Red Cross principle had always been to give freely to people what other people had given so freely to the Red Cross. In defense of the integrity which had long been its most persuasive claim to popular support the Red Cross might well have told the War Department to go take a cold shower. But it did not. It permitted its traditions to be upended. It charged for bed and board in its hotels and clubs. In sum, it did what was necessary to maintain tranquil relations with the brass.

Hotel charges seldom exceeded fifty cents but came as a blow to our troops. No matter that the service would have been a bargain at four times the price: for generations the Red Cross and its Governmental sponsors had been showing the institution down the American gullet as a paragon of giving and now, at last, with a chance to give unstintingly to a cross-section of the American male public, the Red Cross struck its hand out for fifty cents. This was the most significant contribution ever made to the gigantic reservoir of ill will which the Red Cross has accumulated through the years.

Shortly after V-J Day a lieutenant ordered our formation to stand at ease and read a canned announcement about how the Red Cross had been putting out for us boys and how we should contribute by way of thanks. This was the only time I heard a formation of troops hoot an officer. The burden of our message to him was that his proposal was one big crock and that them summerwitches wouldn't get a dime, by God. We had spent our war where there were no Red Cross hotels but we had heard of the tariffs and had concluded long since that this was no way to treat soldiers.

In case anyone assumes that there might be no such ill will if there were no Red Cross, it can be pointed out that there was no Red Cross during the Civil War but the volunteer ladies and gentlemen who tried to bring comfort to the sick and wounded were sometimes rewarded with snarls. Their organization was called the United States Sanitary Commission. With Presidential sanction they attempted to supplement the wretched medical services of the Union Army. They provided physicians and nurses. They distributed medical supplies. They often browsed around battlefields under fire. At Antietam there was no sign of Union medical stores for four days, but ten thousand Union and Confederate wounded were given food, drink, clothing and hope by the Sanitary Commission.

A report issued by the Commission in 1864 could have been written this afternoon by the Red Cross. It said, "We meet people every day who ask us, what goes with all this money which the Commission is receiving; whether enormous sums are not paid to employees; whether the Government does not supply everything . . . the soldiers need."

Evidently the reputation of the Commission was blighted and its work obstructed by hostile rumor. The same difficulty hounds the Red Cross. The source of the difficulty, thinks the Red Cross, is human nature. The Sanitary Commission also thought so. "If such an organization as ours had neither enemies nor assailants," says the 1864 document, "it would prove conclusively that human nature had undergone a radical change."

It may be that gratitude is going out of style. This may explain why every Red Cross drive is a crisis and why, if there had been disasters in 1958 comparable to those of 1955-57, the agency would have been hard pressed to carry out its duties. It spent \$26,900,000 on the New England and West Coast floods of 1955, \$3,000,000 on the Puerto Rican hurricane of 1956, \$4,000,000 on the Appalachian floods of 1957. To find \$2,600,000 for the Louisiana hurricane, Audrey, in June of 1957, it had to dip into its general funds. Its disaster reserves were gone.

Anyone who cares to make a career persuading Congress that disaster relief is too important to depend on charity and should be financed nationally, is invited to commence without delay. Meantime, however, disaster relief and all other Red Cross responsibilities will continue to be underwritten by donations. Red Cross ability to help those who need help will increase only to the degree that the public becomes convinced that Red Cross motives are pure and Red Cross performance honorable.

It so happens that the organization is above reproach on both counts, although reports to the contrary have deterred thousands from contributing.

"See if you can find out what they do with all that dough," said a friend who heard I was going to the national headquarters. "Find out how much they keep for themselves," he suggested with a wink. "Those fancy station wagons they drive," he said. "And the salaries!"

Red Cross officials hear this kind of thing frequently and it agonizes them. The highest paid employee is its president, General Gruenther, who gets \$30,000 a year for carrying a workload that might command three times as much in private industry. At all other echelons of Red Cross staff services the salaries are uniformly lower than in most other social-welfare agencies, although the work standards are conceded to be high. If there seems to be something faintly unreal about people who willingly submit to such exploitation, don't blame me. Red Cross headquarters is populated with men and women to whom opportunity for service is a kind of currency.

At national headquarters and in most of the local chapters administrative thrift is carried to absurdity. Rumor insists that overhead expenditures are wildly prodigate but they are not. They are wildly frugal. To get a new pencil you have to turn in an old stub. If the budget is lean, as it has been of late, the comptroller fires your secretary and has one of your telephones removed. You become a paper-clip saver and a reclamer of used envelopes. Guests pay for their own lunch.

The station wagon, that lustrous symbol of easy living, is the Red Cross vehicle of choice because it seats more passengers and therefore is most serviceable. It almost always is a new model, looks expensive and arouses mistrust in the heart of the observer, but all is well. It rarely costs the Red Cross a penny. It either is donated by a dealer or is purchased at factory cost for profitable resale after a year of use. The profits, by the way, go to the Red Cross.

By such means, combined with the penurious pay scales mentioned earlier, the costs of managing the national organization are held to thirteen cents for every dollar expended. Fund-raising costs, moreover, consume only four per cent of the money spent by the national headquarters and the 3700 chapters. This is fantastically low, especially when compared with the costs reported by other voluntary charities.

Another long-lived species of anti-Red Cross rumor concerns the sale of services. Now that Red Cross clubs no longer charge for hospitality, it is possible to say the organization never sells anything and, except for that wartime episode, never did—unless you want to count individual derelictions. After Pearl Harbor the Red Cross staff of 2100 swelled to more than 25,000, several dozen of whom are known to have made a dishonest dollar peddling Red Cross supplies. Those who were caught were dismissed. There was a hale soul stationed in Brisbane who didn't sell anything—he simply wanted everybody to be happy. When U. S. troops arrived at his station after the New Guinea campaign he provided hospitality far beyond the call of Red Cross duty: he distributed the addresses and telephone numbers of Brisbane's most compliant women. Word reached the United States and he was fired.

Sometimes Red Cross cigarettes turned up by mistake in post exchanges and were sold, com-

plete with Red Cross label. Sometimes Red Cross supplies were hijacked and sold on the black market. Sometimes a sailor sold his Red Cross sweater to another sailor. A third sailor would admire the garment and ask how much it cost and the owner would say, factually, "A buck," and news would spread that Red Cross sweaters, knitted by loving volunteer hands on the home front, were being sold for a buck.

The most indefatigable enemy of unfounded rumor is General Gruenther, who came to the Red Cross presidency in 1957 after thirty-eight years of Army service. Now sixty, he is an articulate man with a nimble mind, a piercing eye, a tennis player's physique and an organizational talent bordering on genius. During his three years as Supreme Allied Commander in Europe his standing as the Army's leading intellect became common knowledge and it was assumed that he could almost name his own price in private industry. Instead, he went to work for the Red Cross for what many another retired general might regard as coolie wages. "I have spent my life in the military service and I think I should carry on in a closely related service," he once told someone who had asked him why Red Cross.

When he is not attending conferences, banquets and dedication ceremonies, he sits at a replica of George Washington's presidential desk in a twenty-five-foot-square office on the second floor of the Civil War Memorial or "Marble Palace." The room is unmistakably his. On standards are the United States and Red Cross flags, his four-star general's flag and a NATO flag; on a table small flags of all NATO countries. On the mantelpiece are some of his tennis trophies, including a plaque which proclaims him "Claimant to Tennis Championship of the Solar System" and is signed with the initials of the wag who gave it to him, Dwight D. Eisenhower. Above the mantel hangs an oil portrait of Eisenhower in uniform, also inscribed to Gruenther.

The old warrior in Gruenther comes to the surface whenever he is confronted by an offensively inaccurate rumor about the Red Cross. He runs the rumor to earth and knocks it on the head with facts and figures.

Some time ago a Missouri journalist who was interviewing the general by telephone announced, "The Red Cross sold things during the war. I had to pay for candy." Thus, a routine interview touched off a transcontinental man hunt, and Gruenther became the sleuth.

"He said that it had happened just after a landing in the Philippines," recalls Gruenther, "during a typhoon. Said he went to a Red Cross but, saw some candy he wanted and had to pay for it. He was absolutely unyielding on that point. I got him to tell me the number of his regiment. I found out from the Pentagon who the commanding officer had been. He was retired by now, but I traced him to San Francisco, to Spokane—and finally located him practically next door, right in Arlington, Virginia. He remembered the landing operation clearly. Yes, there had been a typhoon and they had erected a shelter which housed the PX at one end and the Red Cross at the other. The soldier had entered thinking it was entirely Red Cross, but had bought the candy at the PX end. He'd been resenting us ever since.

"I wrote him at once, explaining the circumstances, but he did not answer. I wrote him a second letter which he also did not answer. He still may believe he bought the candy from the Red Cross."

So many people have heard about the Red Cross selling what it is supposed to give away and are so ready to believe it that the rumor invariably bobs up during disaster-relief operations. "After the Connecticut flood of 1955," says Gruenther, "that kind of gossip became such an obstacle to orderly conduct of the rehabilitation work that businessmen had to offer rewards for proof of the rumors. Nobody applied for the rewards." That was a flood in

which the Red Cross disbursed \$11 million to 7000 families, rebuilding 300 homes, repairing 2000 others and enabling 700 small businesses to reopen their doors.

A prime source of rumor and dissatisfaction in disaster areas is Red Cross inability to compensate for all losses. Television sets, Cadillacs and French-Provincial credenzas are not replaced. But whatever the family needs for normal living and cannot buy from its own resources is given by the Red Cross, usually in the form of cash. To make such decisions fairly, the agency relentlessly investigates its clients. Before it is finished it knows at least as much about the family as the family does, and far more than the neighbors do. This assures that relief funds will be distributed equitably.

Even Red Cross blood banking is afflicted with rumor. The organization refuses either to pay for or charge for the blood that it collects from volunteer donors and distributes to hospitals, but the patient who benefits does not always know about this principle. He usually is required to pay doctors and hospitals for services connected with the actual transfusion, and he assumes that part of the money goes for blood.

One entertaining rumor which fails to amuse Gruenther gained currency during the war and is still verdant: that not all Red Cross girls are moral. As illustrated by the Brisbane anecdote, the Red Cross is in favor of chastity. Female applicants for wartime jobs were carefully screened and admonished to be decorous. In most cases the exhortations were unnecessary. The typical Red Cross girl was eminently suited to her assignment. She was so enraptured by her humanitarian work that she was a poor candidate for any less austere variety of rapture, as many an officer could testify. That some of the girls formed romantic alliances and that some of these did not eventuate in marriage is also true. But there are no grounds for the gossip that hundreds of the women were tramps and some hardly better than professional camp followers.

"I have heard people say that the price in Cherbourg was thirty-five dollars," says Gruenther in disgust, "and forty dollars in New Guinea. Rotton."

When Red Cross girls dated they usually dated officers. In some of the more chuckle-headed commands they were forbidden to date enlisted men. In other commands they dated officers anyhow. Some Red Cross officials explain this on grounds of "natural selection." So do I. A woman who has been handing out coffee and motherly advice and wholesome wise-cracks all day will naturally select social companions who have transport, a comfortable place to sit, and maybe even liquor. In the wartime armed forces such amenities were rarely available among enlisted men, and the girls gravitated to the officers.



Talk about blurred images! I remember one man weeping and cursing with grief and rage because his mother was dying 4000 miles away and his application for emergency furlough had been rejected after Red Cross investigation of the case. Neither he nor any of the rest of us knew (nor was any officer anxious for us to find out) that the Red Cross has no power to grant furloughs. Its job is to investigate the home situation through its local chapter and communicate the facts to the applicant's

commanding officer. It is the latter who then makes his own decision.

There was a period in Red Cross history when the organization had more trouble with itself than with the public. The least spontaneous and most indefensible whispering campaign of all originated in national headquarters at the turn of the century. The target was Clara Barton, the indomitable woman who had founded the agency in 1881 at the age of fifty-nine and subsequently became unpopular with some of the Ladies Bountiful who marched more or less in her wake. They wanted desperately to be rid of her and they almost wrecked the agency in the effort.

Clara had numerous shortcomings. She was an inept administrator and insisted on running everything from under her own hat. But she was the rip-roaringest do-gooder this country has ever known and the public loved her.

Her emotional life seems to have been spent ministering to the stricken, a form of sublimation she discovered during the Civil War. She drove mule teams to the front lines, waded through blood to tend the fallen, brewed soup, seldom slept and took guff from nobody. When the war ended she was forty-three and her nerves were shot, but her life had just begun.

She imported the concept of a Government-protected voluntary relief organization from Europe, where revulsion against the brutalities of war had led to establishment of the Red Cross movement in 1864.

The idea was to commit all nations to the Geneva Convention so that civilians of the various national Red Cross societies could care for the wounded without being shot at, and prisoners could be treated as if they were human beings.

In those days the United States feared all foreign entanglements, even humanitarian ones. But Clara was not easily quelled. In 1882 President Arthur signed the Geneva treaty. It took another eighteen years for Clara to win official standing through a congressional charter. She won it by demonstrating that Red Cross was indispensable.

Disaster relief was a Barton innovation. Let there be a forest fire in Michigan, yellow fever in Florida, floods in the Ohio Valley or a famine in Russia and the old lady was there, exalted, flying her Red Cross flag and handing out goods and services as if there were no tomorrow. If she needed more money or material she set up a howl for it and the public responded. There often was no money in the Red Cross treasury and there frequently was bitter dissension in the Red Cross ranks, but Barton was oblivious. She was unchallenged boss of American mercy and that was all she cared about.

Two days before the sinking of the *Maine* she was aboard as a luncheon guest. Immediately after the explosion she cabled home, "I am with the wounded." It was her war. She spent weeks in the lines, this seventy-six-year-old marvel, clattering around in her mule-drawn wagons doling out necessities and comforts. The first American vessel to enter Santiago harbor after the defeat of the Spanish fleet was her relief ship, *State of Texas*, and she was aboard.

After the war Congress thanked her and so did President McKinley, but some of her own followers were fit to be tied. She had treated them as if they were servants. She had refused to have her books audited. She had ignored all advice.

As far as the public could tell, the organization was in zenith but there really was no organization, there was only Clara Barton. The Red Cross had become too important—thanks to Clara—to remain the personal plaything of one headstrong old lady.

She was too enamored of herself to tolerate such notions. Her enemies, led by a glacial specimen named Mable T. Boardman, finally did her in. The poor old girl's informal financial practices were publicized as the misfeasances of an adventuress. Her incapacity for teamwork

was denounced as deliberate sabotage. The ensuing public squabble brought the Red Cross to the brink of dissolution. In 1904 Clara could stand no more and resigned.

The victorious Mable Boardman was no bargain but she transformed the Red Cross into a sound establishment. She oozed *noblesse oblige*. In an era of social ferment she gave the Red Cross an upper-class imprint so formidable as to stigmatize it in many industrial communities. She peopled the local chapters with Junior League volunteers and their mamas, effectively blockading the Red Cross from the kind of community participation on which work of its kind is supposed to depend in a democracy.

On the other hand she was a stickler for results. The sympathetic heart of the post-debutante was not sufficient qualification for Red Cross activity: Lady Bountiful was required to accept training in the skills of social service. To assist in this and to regularize disaster relief and services to the armed forces, the full-time staff was steadily enlarged. New chapters were organized by the thousands and were made to toe the mark.

The Red Cross was still being dominated by one woman, but at least was being allowed to develop some momentum of its own.

Its military nursing (a Barton specialty) improved and expanded to such an extent during World War I that the Government finally had to take over: there no longer was any excuse to pretend that so essential a medical service was a private responsibility. The same sort of thing happened later with another Red Cross development of immense importance—public-health nursing. Stuffer elements in the leadership hated to yield any prerogatives to Government but there was no choice.

Boardman continued to exercise power until her death in 1946, aged eighty-six. By then the democratic pressures of World War II had begun to alter the institution's patrician character.

The postwar leadership has been doing its very best to complete the process. It recognizes that, if disaster relief and other vital public services are to remain on a voluntary, privately financed basis, the Red Cross must become unmistakably an instrument of the public it serves. The national office resonates with phrases such as "group dynamics."

"We have learned," confides a national official, "that when you get a group of people together for a good purpose and let them discuss it, they will come up with something worthwhile."

Doctrine is no longer handed down to the chapters as if from Olympus. Democracy is being introduced at all levels and rank-and-file opinion is being solicited.

Except in a few diehard chapters unpedigreed members of the community are being courted to become active, equal, working members of the organization. The full-time, paid Red Cross expert, who sometimes used to be treated as a barely tolerable necessity, like the tennis pro in a 19th Century country club, is now an acknowledged leader.

The transfiguration of what was once a high-handed charity is being accomplished without any let-up in the pace of Red Cross work. There have been the usual floods and hurricanes and the services in camps and hospitals and households and the establishment of peacetime blood banking and the Korean difficulty and the Lebanon expedition and the Hungarian refugees and the annual enrollment drives. The modern emphasis in these roll calls is not on money alone but on the social necessity of encouraging as many Americans as possible to contribute time and talent to Red Cross projects.

"The Red Cross Is You," says one slogan. It is a good slogan and in time it may come true.

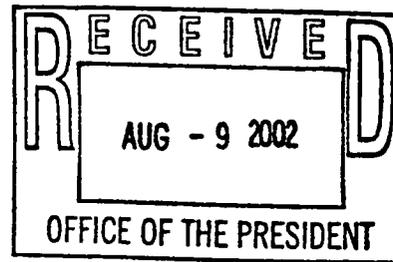
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SFC-ARC-A001185

**COPY**

August 4, 2002

American Red Cross National Headquarters  
430 17<sup>th</sup> Street N.W.  
Washington D.C. 20006



Attention: David T. McLaughlin  
Chairman of the Board of Governors

During this critical time in the history of the American Red Cross and it's relationship with its donors, it would be prudent to investigate the Illinois Capital Area Chapter and it's handling of 9-11 Liberty Fund Monies.

The Springfield, Illinois State Journal Register is investigating misallocation of funds in a similar vein to CBS News and the O'Reilly Factor. It is only a matter of time until the truth regarding mismanagement of these funds surfaces.

Cc: Marsha Johnson Evans  
President and CEO American Red Cross

CBS Evening News  
Sharyl Attkisson

The O'Reilly Factor  
Bill O'Reilly

Senator Charles Grassley  
United States Senate

SFC-ARC-A001186

Regarding the article "Red Cross accounts for Gifts" 8-4-02

It would seem beneficial to the community at large and the SJR to conduct a follow up investigative report to this article as information given by the person interviewed is inaccurate and incomplete. This is too important an issue to the community to leave certain questions unresolved. Adhering to Donor intent should be paramount for any charity.

Check the following:

- 1) What about cash donations? How were they documented and allocated to the 9-11 Liberty Fund.

Quote from Mary Ogle "We talked about it a lot, and WE just didn't feel like it was any type of increase because of 9-11".

WHO didn't feel that monies received had anything to do with 9-11?

This is not correct as some on the board disagreed.

Perhaps you should also speak to the members of the Board of Directors that time period. Many have resigned over the fact that Ms. Ogle did not want to fully answer financial questions and they were unable to fulfill their fiduciary responsibility. Donor intent is a major issue and would have involved the Board of Directors who were not told of any donor follow up as Ms. Ogle claims.

- 2) How were the audits conducted and exactly what information did they have available to them to review?

The Eck, Shafer and Punke audit was specifically for accounting purposes. You may wish to contact them and check to see that if on the basis of their investigation, they will take responsibility for ensuring that all the funds received were applied as the donor intended as stated by Ms. Ogle in your article.

Initial national policy allowed for the chapter to keep 10% of Liberty Fund monies. The chapter executive counted on being able to keep 10% of the donations.

The date that the Executive Committee of the Board of Governors instituted the policy that chapters cannot retain any unspent donor restricted Liberty Disaster Fund money was 11-10-01 in light of the public backlash.

By then all envelopes, checks, notations etc. from 9-11 until 9-30 would have been long past processed and disposed of and therefore extremely difficult to go back and ascertain donor intent of the funds received in the direct mail August coded envelopes without speaking to each donor.

In addition, all mail is opened by an outside vendor and contents forwarded to the chapter. Would notes and other donor intent information be discarded before being received by the chapter?

The fire safety education fund envelopes were completely different than the August mailing envelopes and handled differently.

- 3) When did the local chapter institute the donor intent checklist and follow up phone calls. Check the date the guideline was issued and all the phone calls made and by whom.

Have you seen the list of all donors who were not regular donors from 9/11-9/30 and then contacted regarding their donation? Independent verification would be warranted.

Did the letters sent refer specifically to where the donation went or just a broad reference to the 9-11 tragedy and also the need for dollars for local disasters? Written in such a way so the donor would interpret that the money went to their chosen destination?

- 4) Ms. Ogle is quoted as saying, "Last September was not the first time that donations have far outpaced the predicted totals."

Regarding other direct mail dates that totals exceeded direct mail budget expectations. Since the new executive director arrived the targeted revenue numbers regarding direct mail have fluctuated dependent on whether or not after the mailing is sent it would appear that the mailing would generate less dollars. If it appears less money would be raised the budget number is lowered significantly. This occurred several times including June 01 and again in March 02. Proof exists, the chapter executive and the board members have it in writing. The June 01 mailing ended up generating close to what it was originally intended to but the number was never adjusted back up.

An additional point, would it be prudent to do an expensive mailing to generate only \$2500 in revenue. The cost of mailings would exceed dollars generated.

Therefore, there was no trend of direct mail exceeding expectations as stated by the executive director in your article. The excessive funds received from the August mailing were an anomaly.

5) The Red Cross is an organization that functions solely on income generated from the generosity of donors. Shouldn't the public get a full accounting and correct information? Further clarification on dates mentioned need to be made public.

See attached year end fiscal report.

A previous SJR article refers incorrectly to a year end deficit of (\$20,000)  
**The true deficit was (\$43,525.91) of \$923,021.31 or 4.7%**  
**The local chapter received over \$104,000 additional dollars in donations than expected in fiscal 2002.** (Fiscal year, July 01- June 02)

The 8-4-02 article refers to a 47% decrease in donated money "this year". If this number is accurate, it would only apply to the fiscal year 2003 which encompasses only the 31 days in July 2002.

It would seem better to compare apples to apples –  
July 01 – June 02 during which time period the 9-11 tragedy occurred.

**Again there is a deficit but NOT DUE to a decrease in donated funds.**  
**There was a substantial increase during the 01-02 fiscal year in donor contributions.**  
**Excessive spending by staff resulted in expenses totaling \$135,547.22 over the budgeted allotment of \$831,000.00 for a total expenses of 966,547.22.**

This chapter has all the same problems the chapters investigated by CBS have, it just requires investigative search and our community deserves to know accurate, complete information.

SFC-ARC-A001188

## WEATHER

Humid today;  
high 92. Muggy  
with a t-storm  
tonight; low 74.

More on page 58

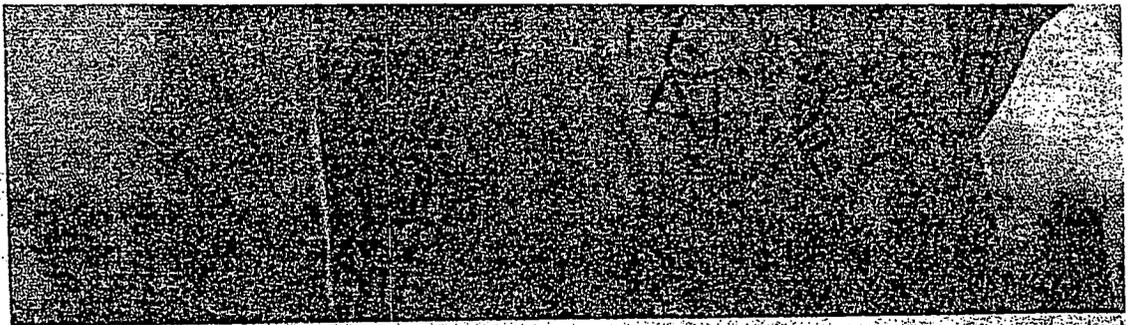
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www.sj-r.com

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year, No. 268



Margarette Davis of Abundant Faith Church enjoys the Central Illinois Gospelfest on Saturday a them every year because it's always so good. My favorite part is the different types of music th the interdenominational event, which included dancing, face painting, games and food in additi

## Red Cross accounts for gifts

By SARAH ANTONACCI  
STAFF WRITER

The Springfield chapter of the American Red Cross took extreme measures to make sure money that flowed in to its local headquarters after the Sept. 11 terrorist attacks went directly to those it was intend to help.

A routine August 2001 fund-raising mailing pulled in far more money than it was expected to collect, Mary Ogle, chief executive officer of the American Red Cross Illinois Capitol Area Chapter, said last week. But she said local officials are

### LAST YEAR'S ROUTINE

August mailing, sent to usual Red Cross donors, brought in \$25,000 more than it was expected to.

convinced it was just a coincidence. The chapter did not keep money intended to help attack victims, she said.

"We wanted to make extra sure that money went to where (the donor) wanted it to go," she said. "We made sure original intentions were honored."

The questions arose after a series of CBS News reports last week alleged that some American Red Cross chapters had problems

See GIFTS on page 7

## Pilot though had locked

By LISA KERNEK  
STAFF WRITER

In the few minutes of radio traffic preceding the mistaken bombing of friendly troops in Afghanistan, a U.S. pilot made a transmission indicating he thought he was being "led" by ground fire — that enemies on the ground were shooting ahead of his plane, hoping he would fly into the fire and be shot down — one of the pilots' attorneys said Friday.

That pilot was Maj. William Umbach of Petersburg, who indicated on the radio that ground forces appeared to have locked onto him with the hope he would fly into them, said Charles Gittins, a Middletown, Va., attorney

Moore's family was told of the charges soon after they were filed, said his second cousin, Janet Jenkins.

"We've got mixed emotions right now," she said.

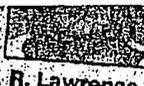
Autopsies revealed that Stuckey, an unemployed day laborer and factory worker, and Moore died from multiple injuries and blunt trauma, according to the Cook County Medical Examiner's office.

Toxicology tests showed that Moore was driving legally drunk at the time of the accident, but police said that had no bearing on their investigation.

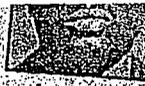
Police said the van would be examined. They didn't know what caused the vehicle to veer off the street but called it an accident.



H. Lawrence



R. Lawrence



Lawson



Ousley



Motes



Tucker



Fort

After the incident, which gained nationwide attention, police, community activists and relatives of the two men urged witnesses to come forward.

Meanwhile, police tried to track down dozens of people who may

have witnessed the beatings.

Goldish said authorities have handwritten statements from witnesses implicating the defendants, all of whom authorities say have criminal backgrounds and were gang members. Fingerprints from

the hospital. Shari Lawrence, 26, was in critical condition at Mount Sinai Hospital, according to a hospital spokeswoman.

Jenny Lawrence, 18, was treated for a facial injury at Mount Sinai and was discharged Friday, a hospital spokeswoman said.

On Saturday morning, a spokeswoman at Northwestern Memorial Hospital said Andrea Long, 17, had been discharged.

Shari and Jenny Lawrence are related to two of the men arrested — Henry and Roosevelt Lawrence, but state's attorney's office spokesman Jerry Lawrence said he was unsure of the relationship.

Shari and Jenny Lawrence, who are cousins, have filed a lawsuit seeking damages from Moore's estate and the agency that rented him the van.

## GIFTS

From page 1

keeping track of the money that flooded in to them after Sept. 11 and that some of the money was kept by local chapters rather than being sent to headquarters in Washington, where donors intended it to go.

American Red Cross officials denied many of the CBS News allegations. Financial controls put into place after Sept. 11 guaranteed that funds were used properly, they said. Ogle said the Springfield-based chapter used guidelines suggested by the national headquarters and added some of its own.

Even with those safeguards in place, the routine August mailing, sent to usual Red Cross donors, brought in \$25,000 more than it was expected to. Projections indicated the mailing should bring in about \$16,500, but it ended up raking in \$41,728.

"People could have sent money to us for whatever reason," Ogle said.

"There were a number of reasons why our August mailing was high. We talked about it a lot, and we just didn't feel like it was any type of increase because of 9-11."

Anytime she is on television, she said donations increase, and the same goes for anytime there are natural disasters anywhere else and other times when the Red Cross profile is high, such as when summer safety programs are in effect. She said a fire safety education fund drive took place at the same time as the August mailing, and its proceeds of \$8,310 were included in the \$41,728 total for August.

To ensure money that was meant to help victims of the terrorist attacks actually went to where it was meant to go, the local chapter did several things, Ogle said.

Under headquarters' guidelines, the chapter sent all donations for a period of time last fall, unless marked specifically for Meals on Wheels or some other local program, to Washington for the Liberty Fund.

For donations made at the Red

Cross, those contributing money had to fill out a short checklist that indicated what the money was to be used for. Donors signed that checklist.

Those who contributed to direct-mail campaigns after Sept. 11 who were not regular donors were contacted to see where they wanted that money to go.

The chapter sent a thank you letter for every donation that listed the person's name and how much they contributed.

"It shows we honored your intent," Ogle said of the letter. "We got two calls, and they said they wanted it to go to Washington. That was our mistake, and we went back and corrected it."

The chapter underwent two audits, one by national Red Cross auditors that had been planned before Sept. 1 and a second by the local firm of Eck, Schafer & Punke. The second audit was done at the suggestion of national headquarters to ensure no accounting mistakes were made.

Ogle said Eck, Schafer and Punke

randomly contacted contributors to make sure their money went where it was intended to go.

"They found one direct mail envelope that needed to be looked at, so we looked at it all," she said.

There will be another audit this month, as is the usual practice for the Red Cross.

Last September was not the first time that donations have far outpaced the predicted totals, Ogle said.

In January 2000, the Red Cross raised \$28,692 when the estimate called for \$9,750. In June 2001, the Red Cross thought \$2,500 would be donated in its routine mailing; donors contributed \$13,367.

Even with September's larger than predicted intake, the Red Cross is down 47 percent in donated money this year.

"And it's down for good reason," Ogle said. "Everyone already gave to us."

Sarah Antonacci can be reached at 788-1529 or sarah.antonacci@sjr.com.

# ATTEN

## Vono Pharmacy

Keep your index

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## Bachmann

## Drug S

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Mon. - Fri. 7 a

# FREE DEL

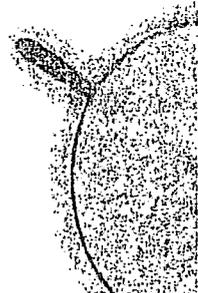
# To Home o

Ralph Dorr Pharm  
Tom Burns Pharm

# JCPenney

You've never seen a v

# 2



# Red Cross spending more to help

## Area chapter faces deficit

By JOHN REYNOLDS  
STAFF WRITER

The cost of helping people affected by disasters is going up for local Red Cross officials.

Mary Ogle, chief executive officer for the Illinois Capital Area Chapter, said that in the past year her organization has

spent \$129,170 to help victims of fires, storms and other natural disasters compared to approximately \$93,800 during the 2001 fiscal year. The latest figure is the largest the local chapter has spent in recent memory.

Another factor was a decline in local donations following the September terrorist attacks.

"We will definitely work next year to cover the cost of the deficit," Ogle said. "But with a 35 percent loss of revenue in

our direct mail campaign (following Sept. 11), that was not a bad deficit."

The year-end figures are for the fiscal year that ended June 30. Numbers from the local chapter indicate volunteers responded to 117 incidents and helped 496 individuals in fiscal year 2002. During the previous year, volunteers responded to 112 incidents and helped 424 individuals.

None of the numbers, including the \$129,170 and \$93,800 figures, includes the floods that

hit central Illinois in May or the Diversion flood in 2001.

One reason for the increase in the number of incidents for 2002 was a stepped-up effort by local volunteers to contact more people affected by disasters. Fire victims, for instance, sometimes tell firefighters there is no need to call the Red Cross and then discover days later that they do need help.

Other families might not re-

See **HELP** on page 9

## HELP

■ From page 8

alize they are eligible.

"A lot of people who experience disasters already have difficult lives," Ogle said. "We feel it is necessary to go to the family and find out what their needs are."

In addition to helping more people, the average amount of money spent increased from \$220 per person in fiscal year 2001 to \$260 per person in 2002. Ogle attributed the increase to more experienced volunteers who are able to better determine people's needs.

This past winter, for instance, an alert volunteer was able to find out that a woman involved in a fire had lost her dentures.

"Some of the non-experienced case workers would say, 'We give food, clothing and shelter.' But our volunteers are well-

trained, and they keep working with the families," Ogle said.

During the upcoming fiscal year, Ogle said the Red Cross would focus on ways to help families reduce damage in future incidents, including encouraging those who live in flood plains to move hot-water heaters and furnaces to a higher point in the house.

"We want to teach families what they can do to prepare for the disaster," Ogle said.

The Capital Area Chapter of the American Red Cross includes Sangamon, Menard, Logan, Macoupin, Montgomery and Christian counties.

People wishing to donate to the local chapter can send contributions to The American Red Cross, P.O. Box 1058, Springfield, IL 62705.

John Reynolds can be reached at 783-1524 or [john.reynolds@sj-r.com](mailto:john.reynolds@sj-r.com).



**American  
Red Cross**

**National Headquarters**  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

August 19, 2002

Professor John McClure  
Chairman  
British Red Cross  
9 Grosvenor Crescent  
London WSW1X7EJ  
England

Dear John,

I wanted to thank you personally and to express my appreciation to Nick for your concerted efforts to find a way through the briar patch to resolve the American Red Cross bareme issue. Obviously, the situation involving the Federation goes well beyond the bareme matter, but this door has to be unlocked before progress can be made on the other more strategic challenges. The American Red Cross is committed to working with you and others to find a constructive solution as quickly as possible.

Gerry has shared with me Nick's and your correspondence on these matters and we are prepared to use our relationships as required to develop a consensus around the proposal that is being considered.

I look forward to staying in touch with you and again my gratitude to you.

Regards,

David T. McLaughlin

cc: Marty Evans ✓  
Gerry Jones



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

August 19, 2002

Rex K. Linder  
Senior Partner  
Heyl, Royster, Voelker & Allen  
124 SW Adams Street  
Suite 600  
Peoria, IL 61602

Dear Rex,

I am grateful to you for your suggestion that we consider Glen Barton as an at-large candidate for the Board of Governors. He looks like a promising prospect with a marvelous track record.

Last week, the Governance Committee, Marty, and I reviewed a list of candidates for the three openings that we now have. Glen Barton was on that list due to your recommendation. We will be pursuing his candidacy in the coming weeks. I was wondering if he has had any involvement with the Red Cross and whether you knew him personally. If you could give us a bit more insight into this it would be most helpful.

Many thanks, hope all is well.

Regards,

David T. McLaughlin

cc: Marty Evans ✓  
Fred Grein

*Together, we can save a life*

SFC-ARC-A001193



**American  
Red Cross**

**National Headquarters**  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

August 19, 2002

Mr. Robert Atkinson  
Member, Board of Directors  
Southeastern Fairfield  
County Chapter  
158 Brooklawn Avenue  
Bridgeport, CT 06604-2012

Dear Bob,

I appreciated receiving your thoughtful letter of 25 July 2002, regarding how the Red Cross can strengthen its relationship with local labor leaders. Your insight into this opportunity is extremely helpful, and I have shared your letter with a number of my colleagues.

Your observation about the "lost opportunity" for our smaller chapters is surely correct and this should be our first priority.

I look forward to staying in touch with you and again my thanks for writing.

Regards,

David T. McLaughlin

bcc: Marty Evans ✓  
Jim Krueger  
Mary DeKuyper  
Cindy Fithian

*Together, we can save a life*

SFC-ARC-A001194



National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

August 13, 2002

Mr. John G. Johnson  
14326 North Green Meadow Lane  
Tucson, AZ 85737-7120

Dear Jack,

I was delighted to receive your thoughtful letter of 7 August 2002. Having lost track of your career after your sabbatical visit at Dartmouth, I hope that the turmoil in Hanover at that time did not discourage you from staying in academia.

The Red Cross is doing very well and Marty Evans is already bringing her great skills to the task of putting the affairs of the organization in good order. I will give her your best wishes.

Warm regards,

A handwritten signature in black ink, appearing to read "D. McLaughlin".

David T. McLaughlin

bcc: Marty Evans ✓

*Together, we can save a life*

SFC-ARC-A001195

AUG 12 2002

John G. Johnson

---

August 7, 2002

Mr. David McLaughlin  
American Red Cross  
8111 Gatehouse Rd.  
Falls Church, VA 22042

Dear David:

During the summer of 1983, you kindly agreed to arrange a sabbatical visit to Dartmouth while I was president of Butler University. The experience proved to be a most valuable one.

I am writing to wish you well in directing the affairs of the Red Cross. The Red Cross has performed extensive, uplifting services to countless people and one hopes that such worthy work will continue in the future under circumstances absent of acrimony. By chance, I met Admiral Evans here in Tucson while she was on active duty. I was favorably impressed and trust that she will be an effective colleague.

Best wishes for all good things in the future.

Cordially,





**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

August 9, 2002

Mr. Kenneth E. Snyder  
Executive Director  
The American Red Cross  
Hamilton Area Chapter  
112 North Second Street  
Hamilton, OH 45011

Dear Mr. Snyder:

It was a pleasure to meet with you and Larry Fiehrer at convention. I apologize for taking so long in responding to your request regarding the estate of Mr. George H. Gerhart, but I wanted to do a thorough investigation of the situation in order to come to a fair decision.

After consulting with the Office of General Counsel, I must inform you that we cannot make an exception to the Equal Division Rule in this matter.

Our concern is that if we were to make an exception to the Equal Division Rule, which is clearly articulated in Section 3.8 of the Board of Governors Policy Manual, Part I, we would completely undermine the rule itself. Overturning this rule was an issue among many Chapter representatives over the past year. However, the Report of the Board of Governors Task Force on Fundraising Policies, dated February 8, 2002, states:

The Task Force found that the equal division rule provides a fair and consistent method to ensure the division of ambiguous testamentary and trust gifts.

Given the Task Force's recent reaffirmation of the organization's Equal Division Rule, it would be inappropriate to make an exception to this Board policy, especially on an issue with the potential for such far-reaching impact.

While I realize that you may not agree with this decision, if you have any questions please let me know.

Regards,

David T. McLaughlin

cc: Larry Fiehrer  
bcc: Marty Evans ✓  
Larry Moore  
Harold Decker

*Together, we can save a life*

SFC-ARC-A001197



**American  
Red Cross**

**National Headquarters**  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

August 20, 2002

Ms. Gloria Bonokoski  
3057 Lancelot Court  
Grand Junction, CO 81504

Dear Ms Bonokoski:

I wanted to acknowledge your letters concerning the compensation level of our new Chief Executive Officer. I regret the delay in responding but was anxious to have our staff confirm some information before responding.

The American Red Cross engages an independent compensation firm to provide the analyses that we use in establishing the level of the President's salary. This process assures that the salary is comparable to other institutions of the character of The American Red Cross. These comparables confirm that the salary of our new President is roughly at the fiftieth percentile for an organization with revenues of over three billion dollars.

We believe that the level of compensation in this case is appropriate. From your letters, it is evident that you disagree, and while I regret this, when one considers that the Red Cross responds to over sixty thousand disasters a year, provides close to half of the nation's blood supply, provides other critical services to the American public, and serves the humanitarian needs of the entire country, I believe that the level of pay is appropriate to the scope of the responsibility.

Sincerely,

David T. McLaughlin

bcc: Marty Evans ✓  
Fred Grein

*Together, we can save a life*

SFC-ARC-A001198

AUG 1 2 2002

Gloria A. Bonokoski  
3057 Lancelot Court  
Grand Junction, CO. 81504  
August 6, 2002

Mr. David McLaughlin, Board Chairman  
American Red Cross  
8111 Gatehouse Road  
Falls Church, VA. 22042

Dear Mr. McLaughlin:

Since you have not had the courtesy of responding to my letter of July 8th regarding the outrages salary being paid Ms. Evans as the Red Cross new CEO I am hereby resigning my volunteer duties as a Registered Nurse and Mental Health Worker. In my career nurse salaries are well directed but we are not greedy. I cannot justify speaking highly of the Red Cross when you accept people's donations and use them for ridiculously high salaries. I am in the process of corresponding to several newspapers across the nation and to Fox News. It's time the citizens of this nation are awakened to the high salaries of CEO's of charitable organizations.

In case you do not recall my letter of July 8th a copy is included.

Concerned Citizen

*Gloria A. Bonokoski*

Gloria A. Bonokoski

Enclosure: July 8, 2002 letter

SFC-ARC-A001199

Gloria A. Bonokoski  
3057 Lancelot Court  
Grand Junction, CO. 81504  
July 8, 2002

Mr. David McLaughlin, Board Chairman  
American Red Cross  
8111 Gatehouse Road  
Falls Church, VA. 22042

Dear Mr. McLaughlin:

This letter to you is to express my disgust that the Red Cross is planning to pay Marsha Evans \$450,000 a year to accept the CEO position. The Red Cross is a charitable organization. What justifies Ms. Evans or any CEO of a charitable organization to command a salary twice that of the President of the United States, based on what I last knew his salary to be. Didn't anyone learn a lesson from the United Way spectacle? \$450,000 to Ms. Evans is just plain greed. How can you justify asking the citizens of this country to donate to the Red Cross? Haven't you learned anything from the 9-11 donation debacle?

Your make me ashamed to say I have been a volunteer for the Red Cross.

I would please like an explanation from you before M. Evans takes office August 5th.

Meanwhile, this matter is being brought to the attention of my chapter leader, my congressman, and the President of the United States who should certainly have Congress look into this matter regarding so-called charitable organizations that request our hard-earned dollars only to pay their CEO upwards of \$100,000 a year!

Concerned Citizen

*Gloria Bonokoski*

Gloria Bonokoski

SFC-ARC-A001200



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

August 20, 2002

Mr. George Penick  
President  
Foundation for the Mid South  
BBB Wise Giving Alliance  
301 East Pearl Street  
Second Floor  
Jackson, MS 39201

Dear George,

While I was disappointed in the BBB Wise Giving Alliance report regarding the American Red Cross due to its lack of recognition that the issues of initial concern to the Alliance have been properly and effectively addressed by ARC, I understand the conservative and risk adverse nature of the staff.

I am confident that the Red Cross delivers its services and conducts itself ninety-nine percent of the time as you or I would want it to and in doing so is serving the humanitarian needs of the nation in an exemplary manner. I recognize the charter of your organization but it is a shame to cast a cloud on a great organization that has gone to enormous lengths to right itself and in doing so is saving lives and helping others every day.

Thanks for listening and I wish you well.

Regards,

David T. McLaughlin

bcc: Marty Evans ✓

*Together, we can save a life*

SFC-ARC-A001201



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

August 20, 2002

Mr. Michael Kanzler  
Chief Operating Officer and  
Chief Financial Officer  
Ty Inc.  
P.O. Box 5377  
Oak Brook, IL 60522

Dear Michael,

I wanted to express our gratitude to you, Scott, and your associates for the generous provision of Buddy Bears for the children and families of those affected by disasters both locally and nationally. This will have a positive impact on those emotionally struggling at a time of great stress. You and Ty are the best!!

We are also appreciative of the ongoing support that you have given to the Red Cross in so many ways – you are exemplary corporate citizens.

Warm regards,

David T. McLaughlin

bcc: Marty Evans ✓  
Casey Minx (Development, Cause Marketing)

*Together, we can save a life*

SFC-ARC-A001202



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

September 5, 2002

Barges H. Al Barges  
President  
Kuwait Red Crescent Society  
P.O. Box 1359  
Safat Code No. 13014  
Cable: Hllahmer  
Kuwait - Arabian Gulf

Dear President Al Barges:

I wanted to acknowledge with appreciation your thoughtful letter of 28<sup>th</sup> July 2002 regarding the appointment of our new President. We have long valued the relationship between the Kuwait Red Crescent Society and the American Red Cross, and your expression of support means a great deal to us.

Our International Movement does indeed represent a powerful humanitarian force on behalf of the vulnerable worldwide. Our seven Fundamental Principles are a valuable guide for all of us as we proceed with our activities on behalf of the suffering, and our efforts are furthered strengthened by their breadth and inclusivity. We very much value the collaboration of your national society in these efforts, and value the friendship between our two national societies.

Our International Federation is certainly an integral part of our own efforts on behalf of the vulnerable. Over the past three years we have seen our contributions to Federation operations increase substantially, and we continue to provide substantial staff and program support to our Secretariat in the areas of primary health and food security. While our Movement's failure to resolve the longstanding Emblem issue has had an impact on aspects of our Federation relationship, we have always believed that the vulnerable and suffering must not pay a price for our Movement's lack of success in resolving the matter and we will act accordingly.

We do hope for a prompt resolution to the Emblem issue. Over the past several months, the American Red Cross has been part of the Standing Commission's Working Group that seeks a resolution to this outstanding issue. Our Vice President for International Services, Gerry Jones, will be traveling to Geneva soon for the October meeting of this Working Group, and we all hope for progress. Also he will be in London for the upcoming September Donors Forum, and perhaps you or your representative at this gathering might find time to discuss your thoughts with him on any ways that we might move forward with this matter. There is so much suffering

*Together, we can save a life*

SFC-ARC-A001203

President Al Barge  
September 5, 2002  
Page 2

in the world these days and a strong united International Movement is needed more than ever.  
We are grateful for your friendship and welcome your ideas.

Regards,

A handwritten signature in black ink, appearing to read "David T. McLaughlin". The signature is fluid and cursive, with a long horizontal stroke at the end.

David T. McLaughlin

bcc: Marty Evans w/inc. ✓  
Gerry Jones w/inc.  
Carol Ann Haake w/inc.

SFC-ARC-A001204

Kuwait Red Crescent Sc.  
Kuwait



جمعية الهلال الاحمر الكويتي  
دولة الكويت

| AUG 05 2002

Kuwait on 28<sup>th</sup> of July 2002  
Ref: 436/2002

Mr. David McLaughlin  
Chairman  
American Red Cross  
National Headquarters  
Washington, DC 20006

Fax : 001 202 639 3595

Dear Mr. McLaughlin,

I received with great pleasure a letter from your Society dated July 12, 2002 informing us of the appointment of Mrs. Marsha Johnson Evans as the new president and chief executive officer of the American Red Cross.

First, I would like to offer my personal congratulations and that of all the members of the Kuwait Red Crescent Society.

Second, I would also like to point out the happiness that overwhelms us when a new significant member joins the international movement. As you well know The Movement is always in need of a strong humanitarian inspiration to spread a feeling of security and comfort to all the victims and all the needy on our planet in which numerous sad incidents have been piling up resulting in cries of hunger and moans of sickness.

+C

الهلال الاحمر والصليب الاحمر

قوة الانسانية



SFC-ARC-A001205

ص.ب : 1359 الصفاة - تلفون : ٤٨١٨٠٨٥ - ٤٨١٨٠٨٤ فاكس : ٤٨٣٩١١٤ - العنوان البرقي : هلا احمر - كويت

P.O.Box : 1359 Safat - Tel.: 4818084 / 4818085 Fax : 4839114 - E-mail : krccs@Kuwait-net

Kuwait Red Crescent Sc.

Kuwait



جمعية الهلال الأحمر الكويتي  
دولة الكويت

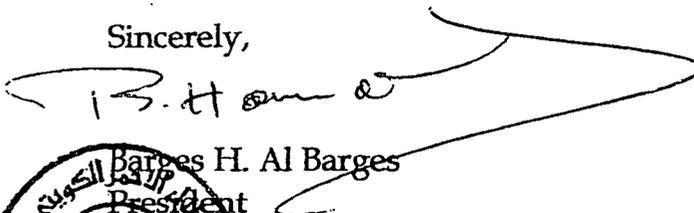
Starting off this preamble I would like to attract your attention to the fact that your Red Cross represents a powerful country looked up to by the rest of the world as a haven to alleviate the suffering of the poor from natural and man made disasters.

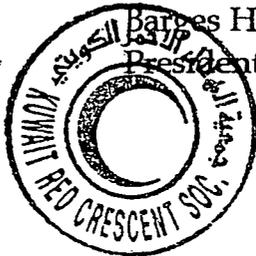
We are all faith that all National Societies will assume important roles worldwide if they avoid their involvement in politics and the domination of those who do not want the good of humanity and the well being of individuals.

Our humble Society hand in hand with yours is reaching out to stand by the needy wherever they may be and finally the International Federation of the Red Cross and Red Crescent is in dire need to your support in facing its crucial financial crises.

Please accept my best regards,

Sincerely,

  
Barbes H. Al Barges  
President



C.C President, International Federation of Red Cross & Red Crescent



الهلال الأحمر والصليب الأحمر

قوة الانسانية



SFC-ARC-A001206

Kuwait Red Crescent Sc.

Telephone : 4818085  
4818084  
Fax : 4839114

P.O.Box : 1359, Safat Code No. 13014

Cable : Hllahmer  
KUWAIT- Arabian Gulf



جمعية الهلال الأحمر الكويتي

تلفون : ٤٨١٨٠٨٥  
٤٨١٨٠٨٤  
فاكس : ٤٨٣٩١١٤

ص.ب. ١٣٥٩ الصفاة. الرمز البريدي : 13014  
برقيا : هلا أحمر  
كويتا - بلاد العرب

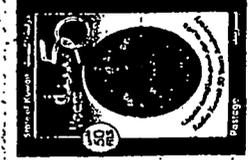
United States of America

American Red Cross

Attn : Mr. David McLaughlin  
Chairman

add : National Headquarters  
Washington, DC 20006

America



SFC-ARC-A001207





**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

October 3, 2002

CP  
Heads up  
Marty

Mr. Jay W. Lorsch  
Louis E. Kirstein Professor  
of Human Relations  
Harvard Business School  
Morgan Hall 337  
Boston, MA 02163

Dear Jay,

I deeply regret that I cannot join you on 7 November 2002 for your workshop but unfortunately, that is the day of the Aspen Institute Annual Dinner in NYC at which time I am to introduce President Carter for an award. I would rather be with you.

The new President of the Red Cross, Marty Evans, is taking hold well and is refreshing after her predecessor. I am anxious to have you meet her and will try to arrange that before the holidays as we still have some governance issues with which we are dealing. \*

I hope that this finds you well.

Regards,

David T. McLaughlin

bcc: Marty Evans ✓  
Fred Grein

*Together, we can save a life*

SFC-ARC-A001208



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

October 28, 2002

Mr. William Lucy  
International Secretary-Treasurer  
American Federation of State,  
County and Municipal Employees  
AFL-CIO  
1625 L Street, N.W.  
Washington, D.C. 20036-5687

Dear Bill,

I am delighted to welcome you to the Board of Governors of the American Red Cross. At our Executive Committee meeting last Friday, you were elected to the Board with great enthusiasm – three years late but we are intent on looking forward not in the past.

I know that you will be meeting soon with Marty Evans, our President, and that we are scheduling a time in this week for us to get together as well. We look forward to working with you and strengthening the relationships between our organizations.

Regards,

David T. McLaughlin

cc: Marty Evans ✓

*Together, we can save a life*

SFC-ARC-A001209



**American  
Red Cross**

**National Headquarters**  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

October 3, 2002

Mr. Joseph Pereles  
Drury Inns  
10801 Pear Tree Lane  
Suite 376  
St. Louis, MO 63074

Mr. Gerard Wen  
3839 Corina Way  
Palo Alto, CA 94303

Dear Joe and Gerard:

It was a pleasure that you could be with us at the meetings and Retreat last month. I know the opportunity and interactions you witnessed will be of tremendous assistance to you in leading the Nominations Committee through its process of determining the best candidates for the Board of Governors.

I am pleased to appoint Joe as Chairman of the National Committee on Nominations and Gerard to assist the Committee as Vice Chairman. Congratulations and best of luck to you both in your task ahead.

Sincerely,

David T. McLaughlin

cc: Marsha J. Evans ✓  
Mary DeKuyper

*Together, we can save a life*

SFC-ARC-A001210



**American  
Red Cross**

**National Headquarters**  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

September 30, 2002

Mr. Fred A. Buck  
Buck & Associates  
625 Foggy Morn Lane  
Bradenton, FL 34212

Dear Buck,

I wanted to acknowledge with regret your decision to step down from the Board of Governors and to not be eligible for re-nomination at the Annual Convention next year. I understand the circumstances that lead to your decision, but we will be the lesser for not having your good counsel and wisdom.

The Governors and I wish you well and look forward to your continuing support and advice.

Regards,

David T. McLaughlin

cc: Marty Evans ✓  
Fred Grein

*Together, we can save a life*

SFC-ARC-A001211



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

September 16, 2002

Mr. Jerry Goodwin  
Chair  
National Diversity Advisory Council  
The American Red Cross  
624 East Archer, Suite 100  
Tulsa, OK 74120

Dear Jerry,

With reference to our correspondence of last August, I believe that you will find the enclosed response from Marty gratifying.

We will follow up with you at an appropriate time and please call if you would like to discuss this further.

Regards,

A handwritten signature in black ink, appearing to read "D. McLaughlin".

David T. McLaughlin

Enclosure

cc: Marty Evans ✓

*Together, we can save a life*

SFC-ARC-A001212



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

Marsha Johnson Evans  
President and Chief Executive Officer

September 4, 2002

Mr. Jerry Goodwin  
Chair  
National Diversity Advisory Council  
624 East Archer, Suite 100  
Tulsa, OK 74120

Dear Jerry:

Thank you for your warm congratulations and words of encouragement on my selection to lead the American Red Cross. I am honored to be part of this great organization that is so important to our neighbors and has been very significant in my own life as well. Kind letters of encouragement like yours are profoundly reassuring as I work on fulfilling my responsibilities.

I will need the talents, dedication and insight of every Red Cross volunteer and staff member as we explore together the most effective ways to fulfill our mission. I am truly excited about the prospect of working with you and the National Diversity Advisory Council as we implement new initiatives in the near future.

Sincerely,

*Together, we can save a life*

SFC-ARC-A001213



**American  
Red Cross**

August 7, 2002

Mr. David T. McLaughlin  
Chairman, Board of Governors  
American Red Cross  
430 17<sup>th</sup> Street, NW  
Washington, DC 20006

624 East Arch  
Tulsa, OK 741  
(918) 584-8916

*For your convenience,  
attached is Jerry  
Goodwin's letter  
to David McLaughlin  
Jan*

Dear David,

On behalf of the National Diversity Advisory Council (NDAC), I would like to extend my appreciation and gratitude to you for your ongoing and steadfast commitment to diversity in the American Red Cross.

Your meaningful and significant remarks regarding diversity delivered at National Convention and your active participation in videos produced by the Corporate Diversity Department are heartwarming testimonials of support from you and the Board of Governors (BoG).

The NDAC is composed of a diverse group of 12 leadership volunteers from across the country. The Council provides advice to the Board of Governors related to fulfilling organizational expectations for greater diversity of our people, programs and services. As part of my continuing responsibility as the chief volunteer advocate for diversity within the American Red Cross organization, I would like to bring to your attention several strategic issues related to diversity for your consideration as you prepare for the September retreat with the BoG:

1. Policy Statement or Proclamation on Diversity. A statement from the Board of Governors endorsing the need for diversity efforts throughout the Red Cross is needed. Such a statement will show top down support and greatly assist NDAC and the Corporate Diversity department in our respective efforts. At your request, I can assist you in the preparation of such a statement.
2. Accountability for Diversity. A process to ensure implementation of the ARC Strategic and Tactical Diversity Business Planning Model in all Red Cross units and accountability for diversity efforts is needed. Such a process will help ensure that we achieve real results.
3. Executive Committee Meeting Agenda. The NDAC recommends that the topic of diversity be an agenda item for one of the upcoming Executive Committee meetings.
4. Annual Briefing to the BoG. The NDAC recommends that the President & CEO present an annual briefing regarding the state of diversity in the Red Cross before the entire BoG at its February meeting.

I thank you and the BoG for your consideration of our recommendations. I welcome the opportunity to continue to work with you and the Board of Governors to promote the importance and value of diversity and inclusiveness throughout the organization.

Best wishes.

Sincerely,

Jerry Goodwin  
Chair

National Diversity Advisory Council

SFC-ARC-A001214



**American  
Red Cross**

**National Headquarters**  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

September 16, 2002

Ms. Jessica Sapalio  
Associate, Chapter International Support  
International Services  
431 18<sup>th</sup> Street, N.W.  
2<sup>nd</sup> Floor  
Washington, D.C. 20007

Ms. Kelli Hays  
Chair, National Youth Council  
3108 W. Rockcreek Rd. #311  
Norman, OK 73072

Dear Jessica and Kelli,

I am so grateful to you for your letter of 5 September 2002, but even more so for your exciting initiatives on behalf of the Red Cross. Your ability to stimulate the interest of young adults in the humanitarian mission of the Red Cross around the world is remarkable – we are so grateful to you.

I have shared your letter with President Evans and encourage you to come and describe your experiences to the Board so that the Governors can celebrate the remarkable accomplishments of your efforts.

We will be in touch with you.

Regards,

David T. McLaughlin

cc: Marty Evans ✓  
Carol Ann Haake

*Together, we can save a life*

SFC-ARC-A001215

SEP 09 2002



**American Red Cross**  
*Together, we can save a life*

International Services  
431 18<sup>th</sup> Street, NW 2<sup>nd</sup> Floor  
Washington, DC 20007  
Tel: 202-639-3454  
Fax: 202-639-3550

September 5, 2002

Mr. David McLaughlin  
430 17<sup>th</sup> Street NW, 1<sup>st</sup> Floor  
Washington, DC 20006

Dear Chairman McLaughlin:

We hope this letter finds you enjoying the end of summer! Carol Ann has requested that we update the members of the International Services Committee on youth activities related to the Measles Initiative. As you heard from Kelli at the last Committee meeting, the National Youth Council and the International Services Department are designing a national campaign to get youth involved in the Measles Initiative. Marketing studies have shown that two out of the top five interests of young people are public health and international issues, making the Measles Initiative a perfect match. Youth have been very responsive to the Initiative's message that for less than one dollar we can vaccinate a child, and young people made an overwhelming show of support for the Initiative at this year's National Convention. Therefore, we feel that the Measles Initiative National Youth Campaign is a great way to reinvigorate our current youth volunteers and to attract new volunteers and donors to the American Red Cross.

The goals of the Youth Campaign are to raise \$12 million (this number correlates to the number of measles cases in Africa each year) and to raise awareness about the Initiative at the grassroots level. The enclosed plan outlines a number of proposed strategies to make the project a success. We plan to launch the campaign internally on October 26, 2002, which is Make a Difference Day, and externally in mid-November. We are designing materials, toolkits, and a website to help youth in chapters, schools, universities, scouts, etc. get involved and implement projects.

In the last two weeks, our plans have taken a few exciting turns. USA Freedom Corps, the umbrella organization for all federally sponsored service programs such as Peace Corps and AmeriCorps, has shown interest in the Youth Campaign and has offered to highlight it on their website and to support us in a variety of ways. Secondly, the United Nations Foundation, currently a partner in the Measles Initiative, has expressed interest in establishing a long-term collaboration with the Red Cross to create an international youth network for the purposes of fundraising, advocacy, education, and engagement of youth in global issues of interest to both organizations. The Measles Initiative National Youth Campaign will serve as the first major project of the collaboration. This partnership has great potential to empower youth and young adults to truly make a difference in sustainable development and to gain respect and influence as active participants on the global stage.

We appreciate any support you could offer to the Youth Campaign and will provide you with regular updates as the Campaign gets underway. Please feel free to contact us for more information or for help in getting young people in your community involved in the Measles Initiative.

Sincerely,

*Kelli Hays*

Kelli Hays  
Chair, National Youth Council  
(405)292-7658  
kellighays@yahoo.com

*Jessica Sapalio*

Jessica Sapalio  
Associate, Chapter International Support  
(202)639-3454  
sapalioj@usa.redcross.org

SFC-ARC-A001216

### Enclosed Materials

- Measles Initiative National Youth Campaign Project Plan
- Youth Campaign Toolkit and Website Ideas
- Youth Marketing Study
- Ideas for a Measles Awareness Week used by high school student and National Youth Council member, Karthik Balasubramanian (a great example of creative youth involvement)
- Tracking chart of Measles Initiative youth activities to date
- Four articles found on Crossnet about youth involved in the Measles Initiative
- 11 Minute video on the Measles Initiative
- Video with 4 NBC clips of 8 middle school students from LA serving as reporters

# Memorandum

**To:** Marty Evans ✓  
Andrea Morisi  
**From:** David McLaughlin  
**Date:** 09/16/02

For our Governor At-Large Candidate file. He is on the "A" list.

*DM*

SFC-ARC-A001218

# HEYL ROYSTER VOELKER & ALLEN

Suite 600  
124 S.W. Adams Street  
Peoria, IL 61602-1352  
Fax (309) 676-3374  
(309) 676-0400

September 3, 2002

Mr. David T. McLaughlin  
Chairman  
American Red Cross  
National Headquarters  
430 17<sup>th</sup> Street, NW  
Washington, D.C. 20006

Dear David:

Thank you for your August 19 letter requesting additional information concerning Glen Barton. He is doing an outstanding job as CEO of Caterpillar Inc. having worked his entire career with the company. As you might expect, he has held numerous positions on his way up through management, many of them at overseas positions.

I have known Glen for many years, but became good friends when I was Chair of the Central Illinois Chapter, and he agreed to be the chair for a capital campaign to build a new chapter house. The campaign was successful and exceeded the goal. Since that time, he and his wife have been members of the Clara Barton Society for those who donate in excess of \$1,000 annually.

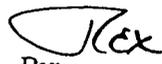
Glen and I serve on the Bradley University Board of Trustees. He is currently the Chair, and I will succeed him in that position in October. We have also worked together on some political issues. Through these involvements, Glen and his wife, Polly, have become good friends of Laurie and me. However, while we are friends, that is not the reason for suggesting him. Rather, he would bring a wealth of talent, experience and sound judgment to the Board.

As I mentioned in my earlier letter, I have not said anything to Glen about submitting his name for consideration. Because Caterpillar has been longtime supporter of the American Red Cross, I thought it inappropriate to say anything until there was interest on our part. Consequently, I do not know if his schedule and other commitments would make it difficult to serve on the BOG, but if he was elected, I am confident he would be a superb addition.

Thank you for all of your hard work for the American Red Cross. I look forward to seeing you soon at our next meeting.

Very truly yours,

HEYL, ROYSTER, VOELKER & ALLEN



By:  
Rex K. Linder  
RKL/DCF

cc: Ms. Marty Evans  
Mr. Fred Grein

N:\rinder\LINDER\LTR 179 D McLaughlin.wpd

OFFICES IN:  
PEORIA, ILLINOIS  
SPRINGFIELD, ILLINOIS  
URBANA, ILLINOIS  
ROCKFORD, ILLINOIS  
EDWARDSVILLE, ILLINOIS

ROBERT V. DEWEY, JR.  
*Managing Partner*

BRENT H. GWILLDM  
FREDERICK P. VELDS  
REX K. LINDER  
JAMES C. KEARNS  
DOUGLAS J. POMATTO  
GARY L. BORAH  
TIMOTHY L. BERTSCHY  
GARY D. NELSON  
ROBERT H. SCHULTZ, JR.  
DAVID R. SMITH  
ROGER R. CLAYTON  
BRADFORD B. INGRAM  
EDWARD M. WAGNER  
NICHOLAS J. BERTSCHY  
GARY S. SCHWAB  
MICHAEL E. RAUB  
BRUCE L. BONDS  
ADRIAN E. HARLESS  
STEPHEN J. HEINE  
KEVIN J. LUTHER  
KAREN L. KENDALL  
CRAIG S. YOUNG  
WILLIAM L. COFFEY  
CHRISTOPHER K. LAISON  
KENT L. PLOTNER  
RICHARD K. HUNSAKER  
SCOTT D. SPOONER  
DANIEL R. SIMMONS  
PATRICK J. LONDRIGAN  
JOHN D. FLODSTROM  
JAMES M. VOELKER  
BRADFORD J. PETERSON  
JOSEPH C. FEENAN  
KURT M. KOPFKE  
ROBERT D. ROWLAND  
MATTHEW S. HEFFLERINGER  
DAVID A. PERKINS  
MARK J. MCCLEATHIAN  
LISA A. LACONTE  
BRAD A. ELWARD  
JAMES J. MANNING  
TIMOTHY W. KIRK  
ELAINE MASSOCK  
WILLIAM W. RANARD  
MARK D. HANSEN  
JOHN C. MULGREW, JR.  
EDWARD E. JOHNSTON  
RICHARD P. KLAUS  
DEBRA L. STEGALL  
ALLEN D. CHURCHILL  
TURNER A. ROUSE  
TIMOTHY A. GRAHAM  
JEFFREY T. REEL  
PETER M. MAGNOT  
CHRISTINE M. MCCLEMMANS  
CRAIG L. UNRATH  
JAMES A. TELTHORST  
JOSEPH P. WHYTE  
MICHAEL T. KOKAL  
ROBERT M. BENNETT  
TONEY J. TOMASO  
THELMA M. POWELL  
TODD J. TAYLOR  
JENNIFER B. JOHNSON  
KEITH E. FRIEDLINC  
ROBERT C. JONES  
JAY E. ZNANECI  
MARK A. LUDOLPH  
LOUI P. HULTBRAND  
KEITH E. EDELS, JR.  
KAORI H. AGUIRRE  
DAVID L. SZLANFUCHT  
TANYA J. GILANGOS  
LADONIA L. BOECKMAN  
JILL I. ROGERS-MANNING  
MATTHEW R. BOOKER  
MICHAEL S. SENECA  
SCOTT L. KELLOGG  
JO ANNA POLLOCK  
AMY C. PRESSLER  
WILLIAM S. FAULIGNER  
JAMES E. CARLSON, III  
JACQUE A. HESSIAN

OF COUNSEL:  
LYLE W. ALLEN  
RICHARD N. MOLCHAN  
CARY M. PEFLOW  
DUNCAN B. COOPER, III

CLARENCE W. HEYL  
(1884-1968)  
JOHN H. ROYSTER  
(1907-1985)  
WILLIAM J. VOELKER, JR.  
(1917-1993)

SFC-ARC-A001219



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

December 16, 2002

Mrs. Laura Holland  
20 Shady Glen Court  
New Rochelle, NY 10805

Dear Mrs. Holland:

First of all, I want to thank you for your continued support of the American Red Cross—both nationally and locally. It was a pleasure meeting you at the American Red Cross in Westchester County's Volunteer Recognition Night last April, and I was so pleased to have seen the remake of the video about your husband's life and career entitled "Legacy of Achievement: The Life of Jerome H. Holland." I was profoundly moved as narrator Ossie Davis reviewed the history of my predecessor's great accomplishments for this country and the Red Cross.

In tribute to your husband's memory, to you and to your family, I now invite you to do me the honor of being my guest at the Board of Governors Chairman's dinner that will be held on Friday, January 31 at 7 p.m. The dinner will be held at the Motion Picture Association Building, 1600 Eye St., in Washington D.C. I've also invited your local Chapter CEO Bob Lenseth to the dinner. Bob would accompany you on the flight and ensure your return in plenty of time for your Chapter's 4<sup>th</sup> Annual Jerome Holland Celebration Dinner the following evening.

I have high hopes that you can join me for dinner on Friday, January 31.

Regards,

David T. McLaughlin

bcc: Marty Evans ✓  
Bob Lenseth  
Andrea Morisi, Leola Mason

***Together, we can save a life***

SFC-ARC-A001220



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

December 16, 2002

Mr. John McClure  
Vice Chair  
British Red Cross  
38 Old Broadway  
Manchester, M20 3DF  
England

Dear John,

On behalf of my colleagues, I wanted to wish you and your associates an enjoyable holiday and a very fulfilling New Year. While I wish it would be otherwise, I suspect that 2003 will be every bit as challenging as this year.

Enclosed is a trip report that I sent to our Board of Governors on my return from the Middle East several weeks ago. Since you preceded me on this route, I thought you might find it to be of interest.

With warm regards,

David T. McLaughlin

Enclosure

cc: Gerry Jones  
Marty Evans ✓

*Together, we can save a life*

SFC-ARC-A001221



**American  
Red Cross**

**National Headquarters**  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

December 6, 2002

Mr. James D. Wolfensohn  
President  
World Bank  
1818 H Street, NW  
Washington, DC 20433

Dear Jim,

I enjoyed seeing you again and was pleased that you had an opportunity to meet Marty Evans. You were gracious to give us time from your hectic schedule.

The American Red Cross is committed to expanding our international humanitarian programs and to do so both through the Federation and the ICRC as well as with other collaborative affiliations. If we can find several opportunities to work together with the World Bank, we would be delighted.

Again, my gratitude for the enormous contributions that you are making to achieve a better world.

With best wishes for an enjoyable holiday.

Regards,

David T. McLaughlin

cc: Marty Evans ✓

*Together, we can save a life*

SFC-ARC-A001222



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

December 3, 2002

His Majesty King Abdullah II  
Royal Palace  
Office of His Majesty  
Amman, Jordan

Your Majesty:

On behalf of the American Red Cross and my colleagues, I wanted to express my gratitude to you for giving us an audience when we were visiting recently your magnificent country. I have long admired your leadership in a highly volatile and sensitive part of the world and wish you and your country every success in the period ahead.

Your plans to establish a special school to train and prepare gifted young Jordanians for education abroad is very impressive. George Faux had mentioned this to me, and if there is any way that I can be of assistance to you in this project, I would be delighted to do so.

Sincerely,

David T. McLaughlin

bcc: Marty Evans ✓  
Carol Ann Haake  
Gerry Jones

*Together, we can save a life*

SFC-ARC-A001223



**American  
Red Cross**

**National Headquarters**  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

December 3, 2002

Mr. Juan Manuel Suarez del Toro  
President  
Spanish Red Cross  
28023 El Plantio  
Madrid, SPAIN

Dear Juan Manuel,

We were most grateful that you returned to Geneva to meet with our delegation when we were there several weeks ago, but regret that your return to Madrid was delayed by weather. Hopefully, you arrived in time to turn around to head off to Manila.

It was an interesting time to visit the Federation as you are clearly going through a transition that is recalibrating your mission from being more operational to becoming more of a coordinator on the services provided by the national societies. Your effort to strengthen the capabilities of the national societies to respond to those in need within their countries is applauded by the American Red Cross. It is the right thing to do.

I was impressed that Didier had embraced so fully your leadership and the direction that you are providing. He seems to be making a real effort to give renewed and comprehensive leadership to all of the national societies and particularly those who may lack some of the resources of the more affluent northern nations. It is a very good sign.

*Together, we can save a life*

SFC-ARC-A001224

Please let us know how we can be helpful to you and I know that our President, Marty Evans, is looking forward to visiting with you soon after the New Year. Until then, I wish you and your family a very enjoyable holiday.

Regards,

A handwritten signature in black ink, appearing to read 'D. McLaughlin', with a stylized flourish at the end.

David T. McLaughlin

bcc: Marty Evans ✓  
Carol Ann Haake  
Gerry Jones



**American  
Red Cross**

**National Headquarters**  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

December 3, 2002

Rolf Bodenmueller  
Ambassador of Switzerland  
Embassy of Switzerland in Jordan  
P.O. Box 5341  
Amman 11183

Dear Ambassador Bodenmueller:

I enjoyed meeting you at the dinner hosted by Princess Saventh in Amman several weeks ago. The historic and even-handed leadership which your country has provided, and continues to provide, to the international humanitarian movement has made an enormous difference to the lives of those who are in need throughout the world. The American Red Cross is grateful to you and your government.

I wish you well in the coming months and will hope that we have occasion to visit again.

Regards,

David T. McLaughlin

bcc: Marty Evans ✓  
Gerry Jones

*Together, we can save a life*

SFC-ARC-A001226



**American  
Red Cross**

**National Headquarters**  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

December 3, 2002

Didier Cherpitel  
Secretary General  
International Federation of Red Cross  
and Red Crescent Societies  
17, chemin des Crets, Petit-Saconnex  
P.O. Box 372  
CH-1211 Geneva 19  
Switzerland

Dear Didier,

I was delighted that we had an opportunity to spend some time together in Geneva and in view of the redefinition that the Federation is undergoing as you plan for the future. I have had an opportunity to manage corporations, academic institutions and not for profit organizations in the United States, but I have never seen an operation more complex and challenging than that represented by the Federation. You certainly seem to be on track and headed in the right direction.

John Horekens appears to be an able partner for you as you look to the future, and we were well impressed by the quality of your folks that we met in Jordan, Palestine and Israel. Obviously, Marty Evans and I are anxious to assist you as appropriate in the future, and I am pleased that you will be seeing her in Washington in the near term.

In the interim, if I can be of help to you please let me know and a very pleasant holiday to you and your family

Regards,

David T. McLaughlin

bcc: Marty Evans ✓  
Gerry Jones

*Together, we can save a life*

SFC-ARC-A001227



**American  
Red Cross**

**National Headquarters**  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

December 3, 2002

Avi Zohar  
Director General  
Magen David Adom  
60 Yig' Al Allon St.  
Tel Aviv 67062  
Israel

Dear Avi,

It was a pleasure to see you again in Tel Aviv, and I wanted to thank you for the instrumental role that you played in the preparation and signing of the Memorandum of Understanding between Magen David Adom and the American Red Cross. It was fitting that Marty Evans and you signed the document the next day in Washington – it completed the circle of mutual support that has existed between our organizations in the past and will in the future.

The period ahead will be challenging for all of us, but by keeping the principles of the Movement as the guide for all of our actions regardless of the circumstances or location of need, the human condition will be better served.

With all best wishes, and again my thanks for your friendship.

Regards,

David T. McLaughlin

bcc: Marty Evans ✓  
Carol Ann Haake  
Gerry Jones

***Together, we can save a life***

**SFC-ARC-A001228**



National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

December 3, 2002

Mr. Younis Al-Khatib  
President  
Palestine Red Crescent  
Box 3637, Al Bireh, West Bank  
Palestine

Dear Younis,

On behalf of my colleagues at the American Red Cross, I want you to know how proud we are to have signed with you a Memorandum Of Understanding that will bond our organizations in mutual support of those in need in accordance with the principles of the Movement. You were gracious to have come to Geneva for the signing and I hope that your extended trip to the Philippines was successful.

We had a very interesting trip to Hebron and subsequently to Ramallah where we were met by your people and given a very informative tour of your facilities, the Communications Center, and various of your other programs. It is sobering to see the conditions under which your teams must operate but impressive that they can respond to the needs of your people as effectively as they do.

Marty Evans, our President, and I are anxious to assist you in any manner that we can – I look forward to staying in touch with you.

Regards,

A handwritten signature in black ink, appearing to read "D. McLaughlin".

David T. McLaughlin

bcc: Marty Evans ✓  
Carol Ann Haake  
Gerry Jones

*Together, we can save a life*

SFC-ARC-A001229



National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

December 3, 2002

Dr. Mohammed M. Al-Hadid  
President  
Jordan National Red Crescent Society  
P.O. Box 10001  
Amman 11151, Jordan

Dear Mohammed,

I know that I speak for my colleagues when I thank you for your gracious hospitality when we were in Amman and for escorting us to the Hussein Bridge for our crossing into Israel. It was an extraordinary opportunity to witness the positive impact that the Jordanian Red Crescent has on the lives of those living within your region.

Your initiatives to train young women for productive lives and your other programs are exemplary examples of how our organizations can improve the lives of others. The audience with His Majesty, King Abdulla, was clearly the high point of our trip as was the lovely gift from Princess Saventh.

While I will admire the magnificent water pipe that you so thoughtfully provided, I suspect that Brian, Pancho, Malik and Gerry will take turns passing it around the table at their next International Services Management meeting since they have quickly laid claim to it.

Again my gratitude and I look forward to staying in touch with you.

Regards,

A handwritten signature in black ink, appearing to read "D. McLaughlin".

David T. McLaughlin

bcc: Marty Evans  
Carol Ann Haake  
Gerry Jones

*Together, we can save a life*

SFC-ARC-A001230



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

December 3, 2002

Mr. Jakob Kellenberger  
President  
International Committee of the Red Cross  
19 avenue de la Paix  
1202 Geneve  
Suisse

Dear Jakob,

On behalf of my colleagues, I wanted to thank you and your senior staff for the informative session that we had in Geneva. We were greatly impressed not only by the thoughtful and focused leadership that you are providing to your important mission, but also by the quality of the people and operations that you have in the field. We met your teams in Amman, in Hebron, in Jerusalem and Tel Aviv, and in Ramalla. Almost uniformly, they were professional, energetic, and enormously effective. You are to be congratulated.

The American Red Cross values our association with ICRC and is anxious to build on our mutual strengths in appropriate ways. While our session was not the time to discuss the Federation, Marty Evans, our President, and I would value an opportunity to discuss this situation with you. I was concerned about some of the things that I saw and Marty will need to determine how we can be more helpful to the Movement by assisting the Federation in becoming a more effective partner.

Please let me know when you will be in the States and if there is anything that we can do to be helpful to you and your organization.

Regards,

David T. McLaughlin

bcc: Marty Evans ✓  
Carol Ann Haake  
Gerry Jones

*Together, we can save a life*

SFC-ARC-A001231



**American  
Red Cross**

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

December 3, 2002

Mr. Guy Mellet  
Head of Delegation  
International Committee  
of the Red Cross  
Abu Hamed Al-Ghazali Street,  
Shmeisani  
P.O. Box 9058  
Amman 11191 Jordan

Dear Guy,

On behalf of my colleagues at the American Red Cross, I wanted to express our thanks for your informative tour of the ICRC warehouse facilities in Amman. It is a remarkable operation and all the more so because of the lives that are saved by your efforts every day.

You will be challenged in the months ahead, and we wish you well. If there is anything that we can do to be of further assistance, I hope that you will let me know.

Regards,

David T. McLaughlin

bcc: Marty Evans ✓  
Carol Ann Haake  
Gerry Jones

*Together, we can save a life*

SFC-ARC-A001232



**American  
Red Cross**

**National Headquarters**  
430 17th Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

December 3, 2002

Yochanan Gur Maj. Gen. (Ret.)  
Chairman  
Executive Committee  
Magen David Adom  
60 Yig'Al Allon St.  
Tel-Aviv 67062  
Israel

*My good friend,*

The joint signing of our Memorandum of Understanding was a historic moment for the American Red Cross for it formalized an important bond that has long existed between our two humanitarian organizations. We were honored to be in Tel Aviv for this memorable occasion and are grateful to you and your associates for your gracious hospitality.

The American Red Cross will continue to champion the entry of Magen David Adom into the Federation of Red Cross and Red Crescent Societies. It is an exclusion that has existed much too long and given the challenges facing all humanitarian organizations in the Middle East and elsewhere, it is all the more essential that we all work together to improve the human condition for those in need.

I am pleased that we were able to spend time together at the dinner following the signing ceremony and look forward to staying in touch with you in the months ahead. If I can ever be of assistance to you, please do not hesitate to let me know.

Regards,

David T. McLaughlin

bcc: Marty Evans ✓  
Gerry Jones, Carol Ann Haake

***Together, we can save a life***

**SFC-ARC-A001233**

*FW* *E. W. Allen*

# Memorandum

**To:** Board of Governors  
**From:** David McLaughlin  
**Date:** December 23, 2002  
**Re:** Chapter Visits

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Over the past year we have encouraged Board of Governor members to visit proactively American Red Cross (ARC) chapters, blood regions, service councils and other events. Barbara Henderson has recorded these activities in so far as she has been made aware of them.

Attached is a summary of her chronicle for the last year. For those of you whose forms we have not received, as I know many of you have participated in field visit and activities that are not recorded here, I share this with you for two purposes – to continue to encourage you to make every effort to express the Board of Governors' interest in learning about the concerns of ARC units and to extend our encouragement, and secondly, to let Barbara know when you have done so, so that we have a completed record of Board activity in this record.

Also attached for your use is a tracking form to record your visits.

Many thanks.

cc: Marty Evans

Attachments

SFC-ARC-A001234

**SUMMARY OF  
BOG CHAPTER VISITS  
2002**

Name	Date	Destination	Purpose	Training	Blood
Steve Carr	Sep	Rotary of Sun Valley Idaho	Spoke to Club re ARC		
	Oct	Idaho State Annual Meeting	Keynote speaker		
	Oct	Idaho State Board Meeting	Attended		
	Nov	San Francisco Mountain Pacific Leadership Meeting	Attended		
	Nov	Save the Day Breakfast - Mountain River Valley Ranch	Speaker and Honorary Chair	—	
Doug Dittrick	30-Oct	Philadelphia	To attend Biomed Board meeting		
		New England-Mid Atlantic Region	Met with Chapter Executive Officer of New England-Mid Atlantic Region while visiting Bergen Crossroads to discuss Hudson County	Completed 5 of 8 required courses for DSHR qualification	
Bill Gagliano	1-Jun	Greater Cleveland Chapter	Annual Red Cross Golf Classic - Firm sponsored a foursome (\$2,500)		
	15-Jul	Greater Cleveland Chapter	As of 7/15/02 BOG member has attended 2-3 Board/Executive Committee meetings, together with an additional 2-3 social functions put on by the chapter		
	15-Jul	Northern Ohio Blood Services Region	As of 7/15/02 BOG member has attended at least 2 meetings of the Board of the Northern Ohio Blood Region		
	15-Jul	Greater Cleveland Chapter and Northern Ohio Blood Region	As of 7/15/02 BOG member has attended a joint meeting of the Board Chairs and Senior Management of the Greater Cleveland Chapter and the Northern Ohio Blood Region with the Blood Services Detroit Area Chair		
	15-Jul			Trained on use of Automatic External Defibrillator	
	23-Jul	Greater Cleveland Chapter	Attended Board meeting of Greater Cleveland Chapter		
	8-Oct	Northern Ohio Blood Services Region	Annual Meeting		
	8-Oct	Summit County (Akron Ohio Chapter)	Annual Meeting		
	1-Nov	Greater Cleveland Chapter	ARC Hero Awards Luncheon -- hosted a \$2,500 table of ten		

SFC-ARC-A001235

**SUMMARY OF  
BOG CHAPTER VISITS  
2002**

<i>Gagliano (cont'd)</i>	17-Dec	Cleveland	Did a 3 minute taped radio interview on WCLV (Cleveland's classical music station) regarding ARC's commitment to Disaster Services. The interview will air on February 8, 2003.		
<i>Sue Hassmiller</i>	19-Aug	Lincoln Nebraska Chapter	Chapter updates		
	20-Aug	Omaha Heartland Chapter	Chapter updates		
	11-Sep	Central New Jersey Chapters	Attended 9/11 Memorial breakfast		
	11-Sep	Liberty State Park New Jersey	Attend 9/11 Memorial Ceremony hosted by J&J and Governor James McGreevy of NJ		
	24-Sep	New Jersey State Council	Updates		
<i>Michael Hawkins</i>	May	Convention			X
	26-Jun	Missoula, Montana Chapter	Visited Chapter		
	3-Sep	Cincinnati Area Chapter	Made a presentation on international services		
	5-Oct	Tulsa Chapter	National Diversity Council's new member orientation and its Strategic Planning Retreat - met with Roger Dahl, Director of Diversity Outreach, Danette McInotsh and Melissa Ramez, Communications Director -- also toured facility which also houses the blood unit		
	9-13 Dec	Ghana	As observer for Ghana Measles Campaign		
<i>Ambassador Jones</i>	22-Jul	Washington D.C.			X
	20-Sep	Tulsa Red Cross Chapter and Blood Region	Met with Roger Dahl, Dr. Lowell Tilzer and Chapter Board Chairman Duff Weddle		
<i>Elaine Lyerly</i>	Aug	Wilmington, NC	Circle of Excellence Awards (Carolina Blood Services Region)		
	Aug	Carolinas Region	Several meetings on blood competition issues in Carolinas Region		
	Sep	Greater Carolinas Chapter	Board Meeting		
	Sep	Carolinas Region	Several meetings on blood competition issues with region and national staff		
	Oct	Carolinas Region	Blood Board meeting		
	Oct	Carolinas Region	Several meetings on blood competition issues		

SFC-ARC-A001236

**SUMMARY OF  
BOG CHAPTER VISITS  
2002**

<i>Ross Ogden</i>	8-Jul	Blood Region	CT Blood Region - HHI		
	9-Jul	Westchester County, NY	Annual meeting and awards presentation		
	16-Jul	ARC Greater NY Meeting	9/11 Relief		
	10-Aug	Blood Region	CT Blood Region - HHI		
	9-Sep	Blood Region	CT Blood Region - HHI		
<i>Pat Powers</i>	20-Jun	Central Ohio Blood Region	BOG member unable to give blood -- attended the Volunteer Services Committee meeting and the Board of Director's meeting		
	18-Jul	Delaware County Chapter, Delaware Ohio	Attended Board meeting		
<i>Anthony Principi</i>	Oct	San Diego Chapter			
<i>Nancy Lee Siebenmann</i>	Apr	Grant Wood Area Chapter			X
	12-Aug	Duluth, MN Northern Chapter	Board Meeting		
	17-Aug			CPR Training recertification	
	20-Aug	Grant Wood Area Chapter	Participated in the Board Orientation to new members		
	7-Sep	Des Moines, IA	Attend SSC meeting		
	5-Sep		Assisted at donor site of Bethany Lutheran Church		
	7-9 Oct	Denver, CO	Attended and presented at Volunteer Administrative Summit		
	21-Oct		Biomed conference call participant		
	30-Oct	Philadelphia	Attended special meeting of Biomed Board in Philadelphia		
			Participated as Red Cross representative in county-wide bioterrorism preparedness meetings		
			Regular attendance as non-voting member Grant Wood Area Chapter		

SFC-ARC-A001237

**SUMMARY OF  
BOG CHAPTER VISITS  
2002**

<i>Gloria White</i>	31-Jul				X
	4-8 Aug		International Services visit to Honduras and El Salvador Hurricane Mitchell Recovery Projects		
	12-Aug	St. Louis Area Chapter	Consultation on corporate board members		
	26-Aug	St. Louis Area Chapter	Introduction of new ARC CEO to Chairman of the Clergy Coalition		
	29-Aug	St. Louis Area Chapter	Consultation with St. Louis Area Chapter regarding closing homeless shelter		
	6-Sep	St. Louis Area Chapter	Introduce new ARC CEO to major donor prospect		
	10-Sep	St. Louis Area Chapter	Introduce new ARC CEO to Edward Jones Managing Partner		
	11-Sep	St. Louis Area Chapter	Solicit Anheuser Busch for specific officer/spouse for St. Louis Area Board		
	26-Sep	St. Louis Area Chapter	BOG Retreat presentation to the St. Louis Area Chapter Board of Directors		
	29-30 Sep	St. Louis Area Chapter	Regional Leadership Committee		
	30-Sep	St. Louis Area Chapter	Midwest/North Central Regional Committee meeting		
	1-Oct	St. Louis Area Chapter	Missouri-Illinois Blood Region Diversity Summit		
	3-Oct				X
	12-Oct	Wichita, Kansas	Kansas State Service Council Meeting		
	17-Oct			Health, Safety and Community Education CPR/Firsts AIDS/HIV Education	
	1-3 Nov	Akron, OH	Ohio State Conference		
	8-11 Nov		Missouri State Conference		

SFC-ARC-A001238

**CHAPTER VISITS FOR 2002  
DAVID T. MCLAUGHLIN**

<b>Date</b>	<b>Destination</b>	<b>Event</b>	<b>Purpose</b>
2-Jan	Dallas, TX	Disaster Leadership Conference	ARC
8-Jan	India	Indian Red Cross Society	ARC
2-Jan	Boston, MA	Liberty Disaster Relief Fund Donor Reception	ARC
5-Feb	Scottsdale, AZ	The Conference Board	
10-Feb	Albuquerque, NM	PIP	ARC
21-Feb	WDC - RC Square	Nat'l Celebrity Cabinet Inauguration	ARC
7-May	Chicago, IL	Women's Board	
6-Feb	WDC - RC Square	Measles Press Event	ARC
4-Mar	Little Rock, AR	Rotary Club International	ARC
10-Apr	Miami, FL	Burger King Check Presentaiton	ARC
15-Apr	Ft. Myer, VA	Gen. Richard Myer's Dinner	ARC/Personal
14-May	WDC - RC Square	Juan Manuel Suarez del Toro, President/Int'l Fed	ARC
15-May	Philadelphia, PA	SEPA Chapter - Attended Chapter Executive & Committee meetings	ARC
29-May	Phoenix, AZ	ARC Nat'l Convention	ARC
9-Jun	Chicago, IL	Jewish Council	ARC
11-Jun	Atlanta, GA	Atlanta Annual Meeting	ARC
20-Jun	WDC - RC Square	Dr. Mellou, President/Israel's MDA	ARC
28-Jun	WDC	Chapter Chairman Academy	ARC
1-Jul	Springfield, MO	Visit Springfield Chapter	ARC
9-Jul	Denver, CO	Visit ARC Chapter and Aspen fire shelters	ARC
14-Jul	Phoenix, AZ	Pharmabrand-Summit	non-ARC
14-Jul	Phoenix, AZ	Visit Phoenix Fire sites	ARC
15-Jul	Denver, CO	Tour of Wildfire Areas and Tour and Briefing of DR141 Fund Raising Office and attend Colorado Wildfires Special Donor Recognition Event	ARC
25-Jul	Randolph, VT	ARC Central VT/NH Valley Chapter for ceremony for couple with more than 50 years of servicd	ARC
8-Aug	Chicago, IL	Visit Chicago Chapter and Metro Managers Meeting	ARC
27-Aug	Concord, NH	Capital Campaign	ARC
29-Aug	Shelter Island, NY	Lunchon at only ARC Chapter to have ambulatory service	ARC
12-15-Sep	Warrenton, VA	Board Retreat	ARC
23-Sep	Laconia, NH	Northern New England State Service Council	ARC
25-Sep	Los Angeles, CA	Visit LA Chapter - Donor Visits	ARC
26-Sep	Los Angeles, CA	Visit to LA Chapter Annual Meeting; attend donor recognition event at Paramount studios	ARC
28-Sep	Fairbanks, AL	Alaska State Leadership Meeting	ARC
30-Sep	Minneapolis, MN	Visited Minneapolis Chapter	ARC
8-Oct	Syracuse, NY	2002 NY State Conference	ARC

**CHAPTER VISITS FOR 2002  
DAVID T. MCLAUGHLIN**

<b>Date</b>	<b>Destination</b>	<b>Event</b>	<b>Purpose</b>
30-Oct	NY, NY	Attend Board of Trustees of the ARC Greater New York first meeting of the fiscal year	ARC
November 12-22	Mission to Italy, Geneva, Jordan, Palestine, Israel	Sign agreements with Magen David Adom and the Palestinian Red Crescent Society	
5-Dec	Washington, DC	Attend Biomedical Board meeting	
December 10-11	Chicago, IL	To meet with Prospective Donors	ARC

American Red Cross  
BOARD OF GOVERNORS  
Tracking Voluntary Service, Contributions and Activities

*Please complete and send this form quarterly (Oct. 31<sup>st</sup>, Dec. 31<sup>st</sup>, April 30<sup>th</sup> and June 30<sup>th</sup>) to Barbara Henderson, Office of the Chairman, 430 17<sup>th</sup> St, NW, Washington, DC 20006. Phone: (202)639-3930; Fax: (202) 639-3264; HendersonB@usa.redcross.org*

Name: \_\_\_\_\_

**Visits and Meetings:** List visits to chapters and Blood Services Regions, as well as attendance at State Service Council meetings and conferences.

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**Blood Donations:** List blood and platelet donations.

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**Health, Safety and Community Education:** List participation in or attendance at a CPR, First Aid, AED, Water Safety, HIV/AIDS Education, or other education program.

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**Other Voluntary Activities or Contributions:** List voluntary service through Armed Forces Emergency Services or Disaster Services, or financial contributions you have made locally.

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Thank you for supporting the American Red Cross in so many ways.

~~OCBS~~

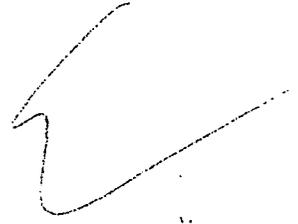
11/26/02

Pl send to

Ramesh  
Marty ✓

Joe Hankerson

You may have seen this  
recent news report but  
if not -- it sounds  
pretty ugly ~



DAVID T. McLAUGHLIN

SFC-ARC-A001242

## ***Tainted Blood Leads to Charges in Canada***

TORONTO, Nov. 20 (AP) — The police filed charges today in what is considered one of Canada's worst public health disasters, a tainted blood scandal that infected thousands of people with H.I.V. and hepatitis C.

The Canadian Red Cross, four doctors and a pharmaceutical company in the United States were all charged after a five-year investigation by a Royal Canadian Mounted Police task force. About 1,200 people were infected with H.I.V., the virus that causes AIDS, and thousands more contracted hepatitis C after receiving tainted blood and blood products in the 1970's and 1980's, including some that may have been donated by prison inmates in the United States.

Although no figures exist on the number of victims who died, groups involved say there were many deaths. The Canadian Red Cross began screening donors for H.I.V. in 1985 and for hepatitis C in 1990.

The charges include criminal negligence causing bodily harm, which carries a maximum 10-year sen-

tence, and common nuisance by endangering the public, which is punishable by up to two years in prison.

The Red Cross and the former director of its blood transfusion service, Dr. Roger Perrault, were accused of not screening out blood donors who might have had H.I.V. The Red Cross faces charges of common nuisance, and Dr. Perrault faces counts of criminal negligence and of common nuisance.

Armour Pharmaceutical Company, of Collegeville, Pa., was charged with criminal negligence and common nuisance, along with failing to tell the government of problems with the blood products.

Criminal negligence charges were also filed against Michael Rodell, the former vice president of Armour, and against two former government officials. All four doctors and Armour were also accused of allowing an infected blood-clotting product to be given to hemophiliacs.

**DO NOT FORGET THE NEEDIEST!**



American  
Red Cross

4 Dec

Utah

Thanks for your good  
note but even more so for  
your understanding of the  
issue and for managing the  
message - it was enormously  
helpful. I respect Avi but  
HE CAN BE A HANDFUL AT  
TIMES -

YOU ARE DOING A  
TERRIFIC JOB FOR THE RED  
CROSS - WE ARE FORTUNATE.

WITH BEST WISHES FOR  
AN ENJOYABLE HOLIDAY -

Regards

DAVID T. McLAUGHLIN  
46 Newport Road, Suite 205, New London, NH 03257

cc: Marty Evans/w/cc inc.corresp ✓  
Chuck Connor  
Devorah Goldberg

SFC-ARC-A001244

Walter P. Gramm  
Chief Executive Officer



**American Red Cross**

Metropolitan New Jersey  
2 Gardner Road at Route 46 West  
Fairfield, NJ 07004

Phone: (973) 575-0880 Ext. 300  
Fax: (973) 575-8593  
Email: wgramm@rcmetronj.org

Serving Essex, Passaic  
West Hudson counties

11/25/02

Dear David,

THANK YOU FOR TAKING THE TIME TO CALL ME FROM ISRAEL TO KEEP ME INFORMED REGARDING DEVELOPMENTS RELATING TO MAGAW DAVID ADOM. BECAUSE OF YOUR CALL I WAS ABLE TO CLEARLY ARTICULATE THE AMERICAN RED CROSS POSITION REGARDING BLOOD DONATIONS & OUR SUPPORT OF MDA. THE SITUATION IN PHILADELPHIA WAS A BIT TENSE, BUT I WAS ABLE TO SPEAK WITH THE AUTHORITY OF THE CHAIRMAN. AS IT TURNS OUT WE WERE ABLE TO COME TO A WONDERFUL AGREEMENT WITH THE JEWISH FEDERATIONS THAT HAS THE POTENTIAL FOR TREMENDOUS GOOD AND IS RIGHT AT THE HEART OF OUR HUMANITARIAN MISSION

(WPG)

SFC-ARC-A001245

Walter Green

Metropolitan New Jersey

American Red Cross



A SPECIAL NOTE OF THANKS SHOULD GO TO  
KURT KACZMAREK AND DEBORAH GOLDBERG FOR  
PLAYING SUCH A KEY ROLE IN RESOLVING A  
DIFFICULT COMMUNICATION PROBLEM. WE ALSO  
APPRECIATE THE IMPORTANT ROLE THAT DR. PETER PRICE  
HAS HAD THROUGHOUT THIS PROCESS.

THANK YOU FOR YOUR VISION, LEADERSHIP,  
AND HARD WORK AS CHAIRMAN. WE VERY  
MUCH APPRECIATE YOU!

BEST REGARDS

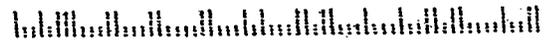
Walter Green

Walter Gramm  
American Red Cross  
2 Gardner Road  
Fairfield, NJ 07004



MR. DAVID McLAUGHLIN  
CHAIR, BOARD OF GOVERNORS  
AMERICAN RED CROSS  
430 17TH STREET NW  
WASHINGTON DC 20006

20006#3307



SFC-ARC-A001247

# Memorandum

**To:** Ramesh Thadani  
**From:** David McLaughlin  
**Date:** 10/10/02  
**Re:** NY-Penn Blood Services Region

---

I had a long visit with Ann Saunders, the CEO of the NY-Penn Blood Services Region when I was with the NY State Chapters in Syracuse this week. Ann has been there for somewhat over a year and impressed me as extremely competent, highly committed, and very knowledgeable.

- They export blood to other regions, which hurts their profit margins but is one of the strengths of the national system.
- They have one of the newer blood facilities and are very proud of it – a model for other regions to follow.
- They compete with the NY Blood Center and while she has tried to initiate some co-operative programs, she has been rebuffed. The independent blood center in NYC is in financial trouble and will soon face some critical shortages when their supply from Europe is curtailed by the FDA “mad cow” restrictions. She is getting some inquiries from their customers now.
- She agrees that we need more flexibility in leukoreduced blood policy but was less equivocal about this than LA and St Paul.
- They have a great record of having no exceptions on FDA inspections and have great relations with the regional FDA office. She said that on the last inspection even Mary Cardin came in but found no issues. They are proud of their record in this regard – as they should be.
- The region is in a very competitive market and their customers are up tight about our pricing and our past arbitrary policies. She said that every blood region in the country is watching the outcome of the competitive moves in Charlotte and that if the Red Cross loses that battle, it will have enormous repercussions across all

SFC-ARC-A001248

October 10, 2002

blood regions. I am sure you are on top of this but it does not look like a market that we can lose even if it means taking lower margins in the process.

You have a great team in your NY-Penn center – congratulations.

A handwritten signature in black ink, appearing to be 'D. E.' or similar, written in a cursive style.

cc: Marty Evans ✓  
Jon Huntsman



**American  
Red Cross**

*6*

*Marly*

*Some pretty good  
backup info on ICRC  
Their people in the field  
are frustrate -*

*FYI*

*DD*

*11/25*

DAVID T. McLAUGHLIN  
46 Newport Road, Suite 205, New London, NH 03257

SFC-ARC-A001250



Abu Hamed Al-Ghazali Street, Shmeisani  
P.O.Box: 9058 Amman 11191 Jordan  
phone: 5688645 fax: 5688649  
e-mail: amman.amm@icrc.org

INTERNATIONAL COMMITTEE OF THE RED CROSS  
Delegation in the Hashemite Kingdom of Jordan

7

## Fact Sheet

### ICRC ACTIVITIES IN ISRAEL, THE OCCUPIED AND THE AUTONOMOUS TERRITORIES June - September 2002

The International Committee of the Red Cross (ICRC) has maintained a permanent presence in Israel and the Occupied and Autonomous Territories (IL/OT/AT) since 1967. Monitoring compliance with International Humanitarian Law (IHL) has been one of its long-standing priorities, especially with regard to the Fourth Geneva Convention relative to the protection of civilians in times of war and occupation. The upsurge of violence in 2002 has caused many casualties and much human suffering. Prolonged closures and curfews, destruction of public infrastructure and private property have led to the socio-economic collapse of Palestinian society, resulting in extreme hardship for the population. Hence the ICRC extended the scope of its activities to respond to the increased needs.

#### Protection of the Civilian Population

The scope and scale of IHL violations are reflected in the alarming increase of civilian casualties in IL/OT/AT. In line with the ICRC's protection mandate, delegates monitor the situation for civilians living under occupation. When necessary, confidential and well documented representations are sent to the concerned authorities to ensure their respect for the Fourth Geneva Convention and for IHL principles. From June to September, 55 interventions referring to specific or thematic events were sent to the relevant authorities.

#### Visits to People Deprived of their Freedom

Detainees falling under the ICRC's mandate are visited regularly in Israeli and Palestinian places of detention, and their treatment and living conditions monitored. By the end of September, the number of people visited in Israeli detention places had risen to around 7,200 (including some 250 minors and 40 women), from 4,250 in February. Visits to administrative detainees rose from 35 to some 880 during the same period. The number of detainees held by the Palestinian Authority and visited by the ICRC on the West Bank and Gaza went down from 800 to around 250 by September, and included two women and one minor.

#### Maintaining Family Links

The ICRC's Family Visit programme for persons living in Gaza, the West Bank, East-Jerusalem and the Golan, to their relatives detained inside Israel, was often suspended by the Israeli authorities. Visits from the West Bank are still on hold, but have been running in Gaza since August, after a brief suspension. In June, the authorities set more stringent conditions. Visits for East-Jerusalemites and from the Golan were not interrupted. From June to September, 7,813 persons visited loved ones in various places of detention in Israel, while 1,370 who registered to go and fulfilled the criteria were refused by the Israeli authorities. During the same period, the ICRC exchanged 2,767 messages between detainees and their relatives and issued 4,857 certificates of detention. It also facilitated the passage of 658 students between Syria and the Golan, as well as that of 144 Druze pilgrims from Israel. Three Syrian brides were united with their fiancés on the Golan Heights.

SFC-ARC-A001251

The humanitarian situation in OT/AT deteriorated further under the strict closures and curfews. The ICRC's expanded assistance programme aims to alleviate some of the vulnerable groups' immediate problems and is of limited duration. The ICRC does not want to substitute itself for the Occupying Power which is responsible for meeting the basic needs of people living under occupation, according to IHL.

#### **Relief**

In nearly 300 villages on the West Bank, 21,731 families received food parcels; 20,768 received hygiene parcels and 11,255 families received a first distribution of sugar, rice and wheat flour. Fifty kilograms of each of the aforementioned three commodities are given to 30,000 families every three months. School kits were given to 4,505 families for the new school year.

In Hebron, Bethlehem, Jericho, Tulkarem, Qalqilya, Salfit and Ramallah, a total of 14,695 families received vouchers for redeeming against various basic food and non-food items in a local shop. The programme aims to benefit 20,000 families in nine cities and towns, but has yet to begin in Nablus and Jenin. In the Old City of Hebron, 2,000 families continue to receive a monthly food parcel.

Recently, house destruction in the Gaza Strip and on the West Bank has increased significantly. Families made homeless, or whose houses have been seriously damaged, receive tents, blankets, hygiene items, household goods and other emergency supplies from the ICRC. From June till September more than 2,115 persons in the Gaza Strip, and 377 in the West Bank were helped. Eleven large tents were donated to schools in Mawasi (Gaza Strip) to ease overcrowding.

#### **Medical and surgical assistance**

ICRC specialists in vascular surgery, neuro-traumatology, orthopaedics and intensive care spent nearly 20 weeks in six hospitals on the West Bank and Gaza to coach and train Palestinian counterparts. Surgical instruments worth 84,000 US were donated to various hospitals under the programme. The ICRC also donated 68 oxygen concentrators and 21 pulse oxymeters to 14 hospitals, to ensure that emergency surgical and intensive care treatment can be given, even during times of closure or curfew. ICRC trucks also transported more than 100 MT of medical supplies for the MoH.

#### **Water**

The ICRC is helping vulnerable communities to get enough clean water for their basic needs during the dry season. Households without piped water in 14 villages in Hebron governorate receive around 5m3 of water per month, brought to them by tanker. The deliveries will continue until the winter rains.

#### **Co-operation with the Palestine Red Crescent (PRCS) and Magen David Adom (MDA)**

The ICRC currently covers the running costs of some 80 PRCS ambulances, and 240 emergency medical technicians. It supports the PRCS's dissemination and information departments, and its web site as well as the new disaster response programme which includes mobile clinics in isolated villages, and a network of doctors and nurses who respond to emergency calls. The ICRC plays a crucial intermediary role in facilitating PRCS ambulance mobility in an extremely difficult environment through direct negotiations with the Israeli authorities.

Sixty ICRC-trained PRCS volunteers raised awareness about the dangers of mines and unexploded ordnance (UXOs) among 3,500 participants in 22 youth camps on the West Bank and in Gaza this summer.

The ICRC co-operates with the MDA on tracing, IHL dissemination, and disaster preparedness. Recently, it provided MDA with 6,333 blood bags, and more will be given in the near future.

The ICRC is also co-ordinating the work of other Red Cross and Red Crescent Societies involved in support field projects on the West Bank and in Gaza.

#### **Promotion of International Humanitarian Law (IHL)**

In Gaza, six IHL seminars were conducted for 20 lawyers in partnership with the Palestinian Bar Association. Information on IHL and the ICRC's mandate was disseminated to 45 journalists and 20 lawyers on the West Bank and in Gaza. The ICRC trained some 20 Palestinian students to disseminate IHL, who later made presentations to over 330 adolescents on the West Bank. It also sent two lecturers in Law from Birzeit University and one from the College of Management in Rishon Lezzion to an IHL seminar in Geneva.

#### **ICRC Staff and Budget**

There are currently 224 staff working in IL/OT/AT, 79 of whom are expatriates. The ICRC's budget for

**SFC-ARC-A001252**



International Committee of the Red Cross

UP-DATE  
2001

# ICRC in Iraq

## HEALTH CARE ACTIVITIES

### Basrah Teaching Hospital

The Basrah Teaching Hospital is a major hospital with all subspecialties, including orthopaedics, neurosurgery, chest surgery and ophthalmology. It not only serves the population of Basrah (1.2 million) but is also the main surgical referral hospital for the entire southern part of the country (4 million). Before the ICRC started the hospital's rehabilitation in 1999, it was in appalling conditions.



Waste water was seeping through the piping and out in the open through walls and ceilings, leakage from toilets even dripped into the operation theatres. The entire basement in which service outlets, electricity cables, sewage systems and pumping equipment were located was completely inaccessible, inundated under a foot of flood water.

The rehabilitation of Basrah Teaching Hospital is the largest engineering project of the ICRC in Iraq. First, elevators and the complete roofing were repaired. The second phase, finished in December 2000, included essential works on the rehabilitation of the operation theatres and the cooling system, as well as new sanitary facilities and sewage networks. During the ongoing third phase in 2001, the ventilation and electrical system, the kitchen, and the laundry are being renovated.

The Iraqi health care system, once the most sophisticated of the region, has suffered considerably from the effects of the economic sanctions imposed on the country by the UN Security Council in 1991. While it has been possible to import medicines and medical equipment under the oil-for-food program since 1996, the state of public infrastructure, particularly hospital buildings and primary health care centres has steadily declined, due to a lack of investment and maintenance. As several hospitals faced a total breakdown of their water and sanitation systems in 1999, the ICRC decided to launch an emergency rehabilitation program for such hospitals with the aim to keep them functional. Since then, ICRC engineers have undertaken major rehabilitation works in a total of 9 hospitals all over the country.

In October 2000, the ICRC concluded an agreement with the Ministry of Health to support the primary health care sector as a priority. A pilot project was started in the governorate of Diyala aiming to improve the services of a total of 10 existing primary health care centres. The program includes the basic rehabilitation of the buildings, the provision of basic material and furniture, on-the-job training for the health centre staff, from the doctors to the cleaners, as well as expert advice on the management of the centres. Encouraging results in Diyala have led the ICRC and the Ministry of Health to extend the scope of the project to Basrah and Mosul in 2001.

The dramatic lack of qualified nurses has been identified as another priority area. In close collaboration with the Ministry of Health, the ICRC has started to develop a program of on-the-job training for nurses in post operative care. The Basrah Teaching Hospital, where the ICRC completed the rehabilitation works of the surgical unit, was identified for a pilot project in this field.

### Hospitals rehabilitated by the ICRC:

- Basrah Teaching Hospital (500 beds): July 1999 to the beginning of 2002
- Karama Teaching Hospital, Baghdad (450 beds): January 2000 to May 2001
- Ibn Al-Khatib Infectious Diseases Hospital, Baghdad (200 beds): May 2000 to January 2001
- Al-Batool Gynaecology and Paediatrics Hospital, Mosul (178 beds): January 2000 to August 2000
- Al-Rashad Psychiatric Hospital, Baghdad (1200 beds): November 2000 to September 2001 (foreseen)
- Surgical Hospital, Hilla: rehabilitation started in May 2001
- Al Ta'amim General Hospital, Kikruk: rehabilitation started in May 2001
- General Hospital in Raniya (100 beds): July 2000 to May 2001
- General Hospital in Soran: July 2000 to May 2001

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International Committee of the Red Cross

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2001

# ICRC in Iraq

## KEY FACTS AND ACTIVITIES

The ICRC has been continuously present in Iraq since 1981. Its operation was initially mainly concerned with the protection of Prisoners of War from the Iran/Iraq conflict (1981 to 1988) and from the 1991 Gulf War. Almost 100,000 Prisoners of War from the Iran/Iraq conflict and about 70,000 from the 1991 Gulf War returned to their families under the auspices of the ICRC. Today, the ICRC still continues to follow the numerous cases of persons unaccounted for as a result of the two international armed conflicts.

In the aftermath of the 1991 Gulf War, the ICRC started emergency assistance programs for the civilian population in Iraq, mainly consisting of the distribution of clean drinking water in large urban centres and of major repair works on water treatment facilities.

As the humanitarian situation for the civilian population in Iraq continued to deteriorate due to the economic sanctions imposed by the UN Security Council, the ICRC has continuously stepped up its humanitarian assistance programs. After the introduction of the oil-for-food program in 1996, which allows the Iraqi

government to use its oil revenues to purchase humanitarian supplies abroad under UN supervision, the ICRC gradually withdrew from material assistance programs and concentrated its activities in areas which are not covered by the oil-for-food program.

The main problem identified was the gradual break down of public infrastructure, such as hospital buildings, water and sewage treatment plants, etc., due to lack of investment and maintenance. Over recent years the ICRC has carried out hundreds of emergency repair and rehabilitation projects in hospitals, health care centres, water treatment plants and sewage evacuation systems in order to keep these structures functional.

Another problem is the increasing lack of qualified staff in Iraq, particularly in the health sector. The ICRC has addressed this problem by providing extensive on-the-job training and expert advice in the sectors of primary health care, nursing (post operative care), production of prostheses for amputees, physiotherapy and psychiatric care.

### ICRC ACTIVITIES

- PROTECTION AND TRACING:** The ICRC still continues to deal with a large number of cases of people unaccounted for as a result of the Iran/Iraq War and the 1991 Gulf War. Over 4100 Iraqi Prisoners of War were repatriated from Iran under the auspices of the ICRC in 2000. The ICRC also provides Tracing Services and Red Cross messages to families who are separated between Kuwait and Iraq.
- PRIMARY HEALTH CARE:** In 1999 the ICRC started a pilot project to support the primary health care services in the governorate of Diyala (80 km north of Baghdad). The program includes the rehabilitation of health care centres, the provision of basic material and extensive on-the-job training for all persons involved in the Health Care Centres, from the doctors to the cleaners. Encouraging results have led the ICRC and the Ministry of Health to extend this program to Basrah and Mosul in 2001.
- PSYCHIATRIC CARE:** Al-Rashad Hospital with its 1000 patients is the biggest hospital for chronic psychiatric patients in Iraq. The ICRC has supported the hospital since 2000 by rehabilitating the buildings, by training psychiatrists, nurses and paramedical staff and by introducing occupational therapy for the patients.



International Committee of the Red Cross

UP-DATE  
2001

# ICRC in Iraq

## WATER AND SANITATION

The ICRC has been continuously present in Iraq since 1981. Its involvement in the water and sanitation sector started in the aftermath of the 1991 Gulf War, when the ICRC provided assistance to repair water treatment stations damaged by the war. In a first emergency phase, the ICRC also distributed drinking water in large urban centers.

Before the 1991 Gulf War, Iraq imported equipment and materials from the best manufacturers in the world for its water and sewage projects along with the expertise and the manpower needed for installing and maintaining them. As a consequence of the economic sanctions imposed on Iraq, this was no longer possible. The ICRC therefore started to supply spare parts for critical water treatment stations and sewage evacuation networks and provided assistance for their installation.

Due to the lack of maintenance and the absence of new investments, the state of Iraq's drinking water supply systems and sewage evacuation networks has constantly deteriorated since 1991. In many parts of the country they have broken down completely. Since 1996 it has been possible for the Iraqi government to import spare parts for the water and sanitation sector under the oil-for-food program. The program however does not provide funds for maintenance and rehabilitation works on existing installations or for the construction of new structures.

Currently, the major part of the ICRC's operation in the water and sanitation sector consists in emergency rehabilitation and repair works on water treatment stations and sewage evacuation systems in order to keep them functional. In 1999 and 2000 the ICRC carried out a total of 88 large emergency projects all over the country in cooperation with the local authorities. ICRC engineers are involved in the design and the planning of the projects. The works on the sites are carried out by local Iraqi contractors under the



People in search of water

supervision of the ICRC and the local authorities. Imported spare parts are provided by the Iraqi government under the oil-for-food program.

In some cases, when existing structures were not repairable any more or when new needs were created by internally displaced persons or population growth, the ICRC has also built new water installations. Fourteen such projects were carried out in 1999 and 2000.

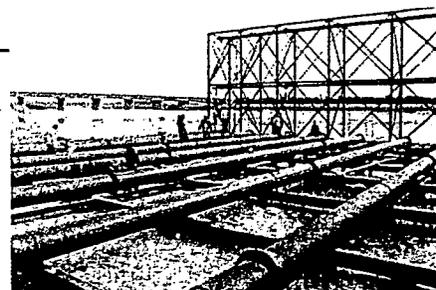
In order to prevent break downs of critical water and sewage systems, the

ICRC has six teams of well qualified Iraqi technicians, who regularly carry out maintenance and small repair works on water treatment plants and sewage pumping stations all over the country. More than 150 installations have been regularly supported in that way during the past two years.

Based on the morphological and hydrogeological nature of the country which is flat and with poor ground water resources, the water and sewage systems require an enormous amount of energy. Drinking water is produced by treating the raw water of the Tigris and Euphrates. The raw water has to be pumped from the river through all treatment stages and distribution networks to the end users. Sewage is also treated and evacuated back into rivers through a complex pumping system. Therefore, the process of water and sewage treatment is a chain of highly technical operations that need sophisticated equipment, continuous power supply and highly qualified staff for operation and maintenance.

SFC-ARC-A001255

Wahda water treatment plant near Baghdad





International Committee of the Red Cross

**UP-DATE  
2001**

# ICRC in Iraq

## ORTHOPAEDIC PROGRAMS

The ICRC became involved in the prosthetics service for amputees in Iraq in 1994 upon a request from the Iraqi Red Crescent Society and the Ministry of Health. As Iraq was unable to import orthopaedic components because of the economical embargo imposed on the country in 1991, the ICRC set up a local component production, mainly for feet and knee joints, and provided necessary raw material. Expatriate prosthetic specialists provided training and expert advice to the staff of the Iraqi orthopaedic centres. The ICRC activities led to a gradual increase in the production of prostheses, which had previously almost come to a standstill.

Since the beginning of the ICRC's physical rehabilitation program in Iraq, more than 13,000 amputees have been fitted with

prostheses in the six orthopaedic centres which are assisted by the program. The ICRC continues to provide technical and material support as well as training for the Iraqi staff working in the centres. Over the past years, where necessary, the buildings and equipment of the orthopaedic centres have been maintained. Also indoor and outdoor walking training areas have been constructed.

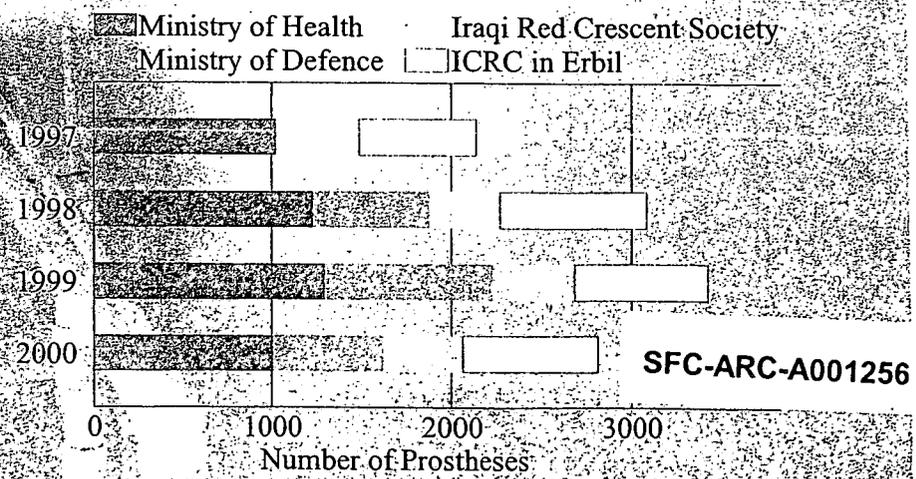
Currently, the ICRC is involved with its local partners in

the development of national treatment guidelines for amputees and in the establishment of a quality control system for lower limb prostheses. Upgrading the level of training of staff in the fields of prosthetics/orthotics and physiotherapy remains a high priority for the ICRC and seminars/meetings on various subjects are organised on a regular basis by ICRC experts with the co-operation of the Ministries of Health and Higher Education.

- Orthopaedic centres supported by the ICRC in Iraq:**
- **Under the Ministry of Health:** - Orthopaedic and Medical Rehabilitation Centre in Baghdad  
- Orthopaedic Centre in Basrah  
- Orthopaedic Centre in Najaf
  - **Under the Ministry of Defence:** - *Ibn Al Kuff* Orthopaedic and Rehabilitation Centre in Baghdad
  - **Under the Iraqi Red Crescent Society:** - Orthopaedic Centre in Mosul
  - **Managed by the ICRC:** - Orthopaedic Centre in Erbil



**Prostheses Manufactured in Iraq with Support from the ICRC**



SFC-ARC-A001256

*Since 1979, the ICRC has assisted 51 prosthetic/orthotic and physiotherapy projects in 25 countries. During this period, more than 150,000 prostheses, 52,000 orthoses, nearly 10,000 wheelchairs and more than 200,000 pairs of crutches have been produced.*

# Memorandum

**To:** Terry Sicilia  
**From:** David McLaughlin  
**Date:** 12/03/02  
**Re:** Trained Dogs for Disaster Relief Agencies

I bring this to you as I am not sure where else the inquiry should go. I was approached by some folks in New Hampshire about an initiative that they are anxious to pursue that could involve the Red Cross. It involves using dogs and handlers that are trained to assist disaster relief agencies in dealing with trauma and stress related situations.

This group of individuals is led by Jeanie Plant who has picked up on the idea from the use of dogs for search and rescue procedures only in this instance the dogs, or other animals, would be trained and registered for in trauma or emotional stress to connect with reality.

They would like to undertake a pilot program with the Concord Chapter and possibly other disaster relief agencies in the State to prove out the procedures and the concept. From the ARC standpoint, I assume that we would need to designate someone in the chapter to work with them and to give them credibility assuming that Mary Ann Leon and the Chapter were willing to do so.

Any thoughts that you have on this would be helpful.

Thanks.



cc: Marty Evansy

SFC-ARC-A001257

fortunate you excelled at chapter  
service & got "kicked upstairs"  
to help us at National!

Thanks!

Best Regards,  
Marty

Dear Doug,

The rumors are true - the  
best parties are in Bergen  
County! I am so glad you in-  
vited me to join in the celebra-  
tion. And, it was thrilling to  
have Larry Gatlin sing Amazing  
Grace for me... that's truly a me-  
tz-a-kind experience.

I was also glad to meet  
the stunning and sharp women  
of your family. Barbara and  
I had a lovely chat - and  
your daughters are pretty ama-  
zing! Well done!

Doug, I value so much  
your support - Red Cross is



Marsha Evans  
722 S Union St.  
Alexandria, VA 22314



Mr. Doug Dittrick  
317 Godwin Ave.  
Midland Park, NJ 07432

SFC-ARC-A001259



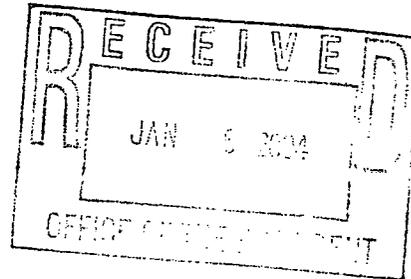
**American Red Cross**

Member, Board of Governors

**National Headquarters**  
430 17th Street, N.W.  
Washington, DC 20006

December 16, 2003

Mr. Alan McCurry  
Executive Vice President &  
CEO  
Biomedical Services Committee  
American Red Cross  
2025 E Street, N.W., 10<sup>th</sup> Floor  
Washington, DC 20006



Dear Alan:

Thank you for the October update on the financial performance regarding Biomedical. I was pleased to see where our net operating margin was up modestly compared to our budget. It was also good to note that our debt-to-equity ratio had actually come down modestly.

Thanks for keeping us posted on a bi-weekly basis regarding quality/regulatory affairs and other key information regarding Biomedical Services. It is very helpful. I know the full Committee extends to you our appreciation.

Sincerely yours,

Jon M. Huntsman

cc: David McLaughlin  
Marty Evans  
Biomedical Services Committee Members

SFC-ARC-A001260

# Memorandum

**To:** Chuck Conner  
**From:** David McLaughlin  
**Date:** 12/04/02  
**Re:** Letter Regarding Marty's Salary

---

Chuck,

The enclosed is for your information. You may want to have someone send a copy of my letter of 20 August to the Editor of the Sentinel.



bcc: Marty Evans ✓  
Frederick Grein  
Kathryn Forbes  
Stan Davis

SFC-ARC-A001261

November 23, 2002

DEC 02 2002

Letters to The Editor  
The Daily Sentinel  
734 S. 7<sup>th</sup> Street  
Grand Junction, Co. 81501

Dear Editor:

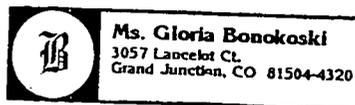
Regarding the latest debacle of the Red Cross occurring right here in Grand Junction, the Western Colorado Chapter, could it be that Catholic Charities and The Salvation Army seem to stay out of trouble because they are FAITH based organizations?

If donations to the Red Cross are affected with this latest occurrence, "they" could tap into the National Red Cross president's salary. Marsha Evans was hired at a salary of \$450,000.00 a year as officially announced last June, 2002 by David McLaughlin, Board Chairman. This is a very nice salary for the head of a charitable organization.

Sincerely

Gloria Bonokoski

COPY



SFC-ARC-A001262



Ms. Gloria Bonokoski  
1057 Lancelot Ct.  
Grand Junction, CO 81504-4320



Mr. David McLaughlin, Board Chairman  
American Red Cross  
8111 Gatehouse Road  
Falls Church Va. 22042

22042+1203



SFC-ARC-A001263



BONNIE MCELVEEN-HUNTER

AMBASSADOR OF THE UNITED STATES OF AMERICA

June 30, 2004

Ms. Marsha Evans  
American Red Cross  
2025 E Street, NW  
Washington, DC 20006

My Dearest Marty,

My grandfather said, "It's more important to select your partners than to select your business." The president, the Red Cross, and our nation could not have selected a better "partner" for the ARC than you! I am so impressed with your extraordinary leadership of the Red Cross. You are exactly what the nation ordered! I am honored and delighted to have the privilege of serving with you on this extremely critical and important mission.

In the coming months, I have much to learn from you and your colleagues. But I am enthusiastic and am committed to giving it my all. In this "mission" and calling, I am reminded of and inspired by the life statement of Porter Halliburton, (You may even know him, a seven-year prisoner of war in Vietnam.) "At the hour of my death, I wish to look back on a full and fruitful life lived as an honest man who has constantly striven to improve himself and the world in which he lives, and to die with the love and respect of my family and friends, forgiven by God through Jesus Christ with the peace of the Lord in my soul." I know that we will look back together someday on the three years that lie before us and count them "full" and fruitful" . . . I can hardly wait!

I am so honored to serve with you in this "noble" mission and blessed to call you "friend"!

With admiration,

A handwritten signature in black ink, appearing to read "Bonnie", with a long horizontal flourish extending to the right.

Bonnie McElveen-Hunter

SFC-ARC-A001264

**Rhodd, Michelle**

---

**From:** Bonnie McElveen-Hunter [Bonnie@paceco.com]  
**Sent:** Friday, July 16, 2004 8:10 AM  
**To:** Evans, Marsha  
**Subject:** RE: Red Cross

Was not receiving my emails so missed this opportunity... would you please..forward to skip for his follow up... thanks....Bonnie

---

**From:** EvansM@usa.redcross.org [mailto:EvansM@usa.redcross.org]  
**Sent:** Sunday, July 11, 2004 2:46 PM  
**To:** Bonnie@paceco.com  
**Cc:** PrevatteC@usa.redcross.org  
**Subject:** RE: Red Cross

Hi Bonnie,

Am back from Montana...and catching up on e-mail.

Skip Seitz, SVP for Development, with whom you'll be meeting this coming week is working on various golf concepts for the Red Cross. He'll be prepared to discuss this with you. Allison Brett works in his unit...

See you tomorrow evening. Marty

*Marsha J. Evans  
President and CEO  
American Red Cross  
2025 E Street, NW  
Washington, DC 20006  
Tel: 202-303-5319  
Fax: 202-303-0070*

-----Original Message-----

**From:** Bonnie McElveen-Hunter [mailto:Bonnie@paceco.com]  
**Sent:** Tuesday, July 06, 2004 3:04 PM  
**To:** Evans, Marsha  
**Subject:** FW: Red Cross

Marty thought you might want to see this and suggest a contact....hope you had a great anniversary... look forward to seeing you soon... Bonnie

---

**From:** hilly615@bellsouth.net [mailto:hilly615@bellsouth.net]  
**Sent:** Tuesday, July 06, 2004 1:43 PM  
**To:** Bonnie.Hunter@paceco.com  
**Cc:** Carl@golftoursoftennessee.com  
**Subject:** Red Cross

Bonnie,

Congratulations on your appointment as Chairman of the American Red Cross! All of us in Rebel Chapter WPO (especially Sallie and I) are proud to know you, although it is hard to keep up with all the things you do.

I have a favor to ask. Carl Mullinax, a former IBM'er in Nashville with whom I was in a small

business, is currently working with Tom Peters, the Williamson County, Tennessee Executive for Red Cross, on a new golf tournament format that could provide significant funding to all of the nation's Red Cross chapters at no cost to Red Cross. Carl has also been working with Allison Brett in the Red Cross National Office of Corporate Sponsorships. The concept is to have a series of local pledge golf events (tentatively called "Drive for Red Cross") leading to a Champions' Event for the top 50 teams. The Champions' Event is an all expense paid event with top PGA and sports celebrities at Innisbrook Resort in Tampa, Florida.

Carl would first like to meet with Joe Packa, Vice President of the Southern District of Red Cross, in order to properly understand how Red Cross works at the District level – then meet with the top folks at Red Cross to implement it nationally.

Carl's organization would then work with the local chapters to raise money at the chapter level. If you could have the right person contact Carl, I would greatly appreciate it. Carl's phone is 615-385-8154, his cell is 615-319-8778 and his e-mail is: [carl@golftourssoftennessee.com](mailto:carl@golftourssoftennessee.com).

Thanks for any help you can give. Best to Bynum.

Hilly

**Rhodd, Michelle**

---

**From:** Bonnie McElveen-Hunter [Bonnie@paceco.com]  
**Sent:** Friday, August 06, 2004 3:16 PM  
**To:** Evans, Marsha  
**Subject:** RE: Thanks

You just cost me \$ 5,100,000.....I can not believe I had to go that high....but you and the Red Cross are worth it....I too enjoyed our meeting and am thrilled to be working with you and your very able team..let's talk about the David request....Bonnie.

---

**From:** EvansM@usa.redcross.org [mailto:EvansM@usa.redcross.org]  
**Sent:** Friday, August 06, 2004 12:01 PM  
**To:** bonnie.hunter@paceco.com  
**Subject:** Thanks

Bonnie,

Thanks so very much for the excellent meeting on Tuesday and the fine beginning of our partnership. I thought we accomplished so much...and am excited that we'll meet monthly to move forward on the various issues. I have already primed the staff for your visit here in September. We're looking forward to the opportunity to develop further the top-level advisory board and its potential for positioning the organization.

And lunch was delicious. You are most fortunate to have your Finnish team...they are terrific!

I hope your business issues have settled down after a wild ride!

I just finished the Executive Committee meeting. No surprises...All the resolutions in the agenda were approved without issue. Chris Allen and I will work together on the retreat agenda. He was pleased to have your direction to press ahead with the retreat agenda.

Bonnie, after our meeting I reflected on just how fortunate the Red Cross and I are. Please know how grateful I personally am that you accepted the President's call to service. I believe it is going to be a wonderful three years. Thanks! Marty

Marsha J. Evans  
President and CEO  
American Red Cross  
2025 E Street, NW  
Washington, DC 20006

Tel: 202-303-5319  
Fax: 202-303-0070

**Rhodd, Michelle**

---

**From:** Bonnie McElveen-Hunter [Bonnie@paceco.com]  
**Sent:** Friday, January 06, 2006 2:07 PM  
**To:** Rhodd, Michelle  
**Subject:** Email to Marty Evans - 2005

---

**From:** Bonnie McElveen-Hunter  
**Sent:** Monday, July 18, 2005 7:42 AM  
**To:** 'EvansM@usa.redcross.org'  
**Subject:** RE: Beijing trip

Great...I know he would appreciate the effort... Bonnie

---

**From:** EvansM@usa.redcross.org [mailto:EvansM@usa.redcross.org]  
**Sent:** Sunday, July 17, 2005 8:50 PM  
**To:** bonnie.hunter@paceco.com  
**Cc:** HAWKINS@DINSLAW.com; MajewskB@usa.redcross.org; BradleyL@usa.redcross.org; scarr@prodigy.net; JohnsonVH@usa.redcross.org  
**Subject:** RE: Beijing trip

Bonnie, Just to close the loop with you...I have spoken to Michael and we will coordinate once we know what the proposal from the Chinese Red Cross re: our schedule is. It should be very possible for Michael to join us.  
Regards, Marty

Marsha J. Evans  
President and CEO  
American Red Cross  
2025 E Street NW  
Washington, DC 20007

Tel: 202-303-5319  
Fax: 202-303-0070

-----Original Message-----

**From:** Hawkins, Mike [mailto:HAWKINS@DINSLAW.com]  
**Sent:** Thursday, July 14, 2005 2:39 PM  
**To:** Evans, Marsha; Majewski, Brian  
**Cc:** bonnie.hunter@paceco.com  
**Subject:** Beijing trip

Per my earlier discussion with you, I will be arriving in Beijing on August 29 and be in Beijing on the 30th and 31st. If this corresponds with your visit, I would enjoy the opportunity to participate in any visitor activities with the Chinese Red Cross. I will then be going to Shanghai on September 1st, back to Beijing on September 3rd, then to Singapore and Hong Kong.

All the Best,  
MWH

**Dinsmore & Shohl**  
ATTORNEYS

**Michael W. Hawkins, Esq.**  
*Partner*

255 E. 5th St., Suite 1900; Cincinnati, OH 45202  
Phone: (513) 977-8270; Fax: (513) 977-8141  
[michael.hawkins@dinslaw.com](mailto:michael.hawkins@dinslaw.com); [www.dinslaw.com](http://www.dinslaw.com)

Assistant:

Lindsey Morgan (513) 977-8336; [lindsey.morgan@dinslaw.com](mailto:lindsey.morgan@dinslaw.com)

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Marsha Johnson Evans

Greg -

Thought you'd like to see the nice  
mention of your father...

Hope you're well - and you and  
Cindy have a wonderful time at  
the wedding -

Warm regards,  
Marty



pls send  
→ Greg  
Kozmetsky

ARC 1225  
Feb. 2001

SFC-ARC-A001270

# MIT Sloan Management Review

**Jeffrey A. Sonnenfeld**

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## A Return to the Power of Ideas

Please note that gray areas reflect artwork that has been intentionally removed. The substantive content of the article appears as originally published.

SFC-ARC-A001271

REPRINT NUMBER 4527

William Lewis, Jr.  
141 S. Highland Dr.  
Pittston, PA 18640



011110009091040000

Marsha Johnson Evans



Dear Bill,

As I sit here, it is all I can do to restrain myself from eating 100% of the "jon l. stopay peanut butter chiffon" ... in white chocolate. I thought the milk chocolate ones were divine... what is the superlative of divine???

Many, many thanks for thinking of you (deprived ... i.e., no jon l. stopay's nearby!) friends! Warmest regards,  
Marsha PS →

SFC-ARC-A001272



**American  
Red Cross**

Office of the President and  
Chief Executive Officer

**National Headquarters**  
2025 E Street, N.W.  
Washington, DC 20006

January 21, 2004

The President  
The White House  
1600 Pennsylvania Avenue, NW  
Washington, DC 20502-0184

Dear Mr. President:

On behalf of our Board of Governors and our community-based network of more than 900 chapters, 36 Blood Services Regions and over one million American Red Cross volunteers and employees, we respectfully extend an invitation to you, our Honorary Chairman, to be the keynote speaker for our 79<sup>th</sup> National Convention in St. Louis, Missouri this May. As the annual stakeholders' meeting, our national convention is our primary forum where approximately 2,000 Red Cross volunteers and leaders gather to rededicate ourselves to fulfilling our mission, focus on goals, and celebrate our commitment to humanitarian service.

We would be honored to have you deliver the keynote address at the plenary session at noon on either May 22 or 23, 2004. If another time is more convenient to accommodate your schedule, we would be pleased to adjust our events accordingly. Likewise, if you are unable to attend, we would be honored to have the First Lady join us to address the convention delegates.

Thank you, Mr. President, for your gracious consideration of our request. Together, we can make further progress toward enhancing our nation's preparedness and response capabilities. Moving forward, we will continue to expend all efforts to fulfill our commitment to our neighbors, our communities, and our country – to be there, whenever and wherever disaster strikes, remembering always that *together, we can save a life*. Should you or your staff have any questions, please contact Jan Lane, Vice President, Government Relations, at (202) 303-4348.

Sincerely,

David T. McLaughlin  
Chairman

Marsha J. Evans  
President and CEO

***Together, we can save a life***

SFC-ARC-A001273



**American  
Red Cross**

C  
✓

**National Headquarters**  
2025 E Street, N.W.  
Washington, DC 20006

David T. McLaughlin  
Chairman

**To:** Members, Board of Governors      **Date:** January 27, 2004  
**From:** David T. McLaughlin      **Subject:** Resignation as  
Chairman of the Board  
of Governors  
**cc:** Marsha J. Evans

I wanted you to be aware that after three years as Chairman of the Red Cross, I advised the Executive Committee this week that I had decided not to stand for reappointment when my term ends at the annual meeting in May.

This was not an easy decision for me, as I have enormous admiration for the American Red Cross and its mission. I have enjoyed immensely the friendships and associations that I have made with you and the hundreds of volunteers and staff in the chapters and on the chapter boards. There is a time, however, when an institution is served well by changing the leadership, so that new initiatives can be undertaken and new governance structures can be examined. This type of re-examination is particularly critical after undergoing the kind of intense agenda that we have experienced since I assumed the chair in May of 2001 – four months before September Eleventh.

We will have an opportunity to review this matter in our February board meeting, but I did want you to be aware of my decision. The two vice chairs, Kate Forbes and Chris Allen, and the chair of the governance committee, Bill Gagliano, and I will constitute an ad hoc search committee to identify my successor. In the meantime, we will be sending you the criteria to be used in identifying the candidate, and to ask you for any recommendations you may care to make.

I am grateful to you for your support of the Red Cross and will look forward to working with you over the next four months.

Regards,

*Together, we can save a life*

SFC-ARC-A001274

Michael W. Hawkins  
513-977-8270  
[michael.hawkins@dinslaw.com](mailto:michael.hawkins@dinslaw.com)

Admitted in Ohio and Kentucky

January 27, 2004

Mrs. Marsha J. Evans  
President and Chief Executive Officer  
American Red Cross  
430 17th Street, NW  
Washington, DC 20006

Dear Marty:

I was recently in West Palm for some vacation and client meeting and this caught my eye. Thought you and Jerry would enjoy seeing you are a part of Palm Beach Society (pg. 14). The International Red Cross Ball (cover page) also caused me to think about the possibility of an International Services fundraising event we might try to get started in D.C. With the international community that lives in the D.C. area, we might be able to find a benefactor who would chair such an event.

Take care and see you in February.

Best Regards,



Michael W. Hawkins

/plb  
Enclosure  
872559v1

*P.S. Attached is a local Red Cross article involving a Girl Scout you might enjoy.*

**SFC-ARC-A001275**

# National president speaks at local conference

In October, 2003, the American Red Cross held its Volunteer Administration Institute in conjunction with the International Conference on Volunteer Administration, held in Cincinnati.

The Cincinnati Area Chapter helped coordinate the two-day event that brought together leadership volunteers and employees focused on strategic volunteer involvement, management and outreach to potential new volunteers.

Several local volunteers and paid staff members taught sessions on topics such as disaster volunteers, recruiting and retaining volunteers and gaining a diverse group of volunteers.

The sessions were attended by volunteer managers, youth directors and others working side-by-side with volunteers.

Diana Long, director of Volunteer Resources/Community Outreach for the Chapter, said the talent of the instructors helped fulfill the event's purpose.

We gathered instructors with the most success in working with volunteers to train others in how to do the same, Long said. In some cases, volunteers themselves taught classes. It makes sense to have a volunteer talk about how to retain more volunteers for an organization.

The role of the Red Cross continued through the week when American National Red Cross President and CEO Marsha Evans gave the keynote address at the Internal Conference.

Evans talked of the importance of volunteers, saying volunteers must be

recruited and trained; they must be coached and retained. And, they must be led.

Evans explained how volunteers can add insight to almost any endeavor an organization undertakes, and how the Red Cross considers its volunteers gold.

Volunteer administrators are the keepers of that treasure, and I challenge them to invest it in a way that ensures that the Red Cross continues to meet its commitment to help save lives in communities all over the country, Evans said.



Marsha Evans

# Red Cross offers winter tips for staying safe

The winter season is full of beautiful days. Winter can be an invigorating and enjoyable season, but Red Cross winter safety tips remind families that it can also be hazardous and unpredictable.

"Now is the best time to prepare for winter weather," said Gary Miller, director of Disaster Services for the Cincinnati Area Chapter of the American Red Cross.

"Many people wait until it is too late to stock up on supplies, winterize their cars or take other measures which could offset the danger of extreme cold temperatures, snow and other hazards of winter weather."

Miller recommends the following tips when preparing for winter weather:

## Winter dress

- \* Winter temperatures can be deceiving. Thermometers measure only the cold. Don't forget that the effects on your body are compounded by the wind. Layering clothes helps prepare you for different conditions and activities. Use three essential layers; underwear, insulation and outer shell in different combinations to maintain comfort through changes in weather and exertion levels.

- \* Underwear provides basic insulation and moves moisture away from skin, preventing chill when activity stops. Choose long underwear or thin, snug-fitting pants with a long-sleeved t-shirt or turtleneck.



- \* Insulation should be used in one or more layers, depending on conditions. Sweaters, sweatshirts and other similar garments are good insulators. Some newer insulating pieces are also suitable as an outer shell in milder weather.
- \* The outer shell should be chosen from garments that are windproof, and preferably waterproof, such as those made of coated nylon or polyester. Good fit is crucial. If the shell is too big, heat loss can occur rapidly. If it is too small, you may not have enough room for insulating layers.
- \* Plan from head to toe. Wear a hat,

which can save half your body heat loss. If needed, wear layers of pants to keep your legs warm. Gloves and warm socks help protect fingers and toes, where you first feel the effects of cold temperatures.

## Walks and Drives

- \* To increase safety of family, friends and neighbors, keep walkways and driveways free from snow and ice. Snow blowers and ice-melting granules make the process much easier and less physically demanding.
- \* When weather turns nasty, act early. It is easier to remove snow immediately following a snowfall, before it becomes packed or turns to ice. Prevent ice from forming by spreading ice melters when heavy snow, sleet or freezing rain begins. Reapply later, after removing any accumulation.
- \* When snow accumulates, take extra time to clear more than a single shovel width on sidewalks. It will make walking easier and safer.
- \* When shoveling snow, take it slow and do it carefully. Lift small amounts, especially when removing heavy snow, slush or ice. Seek alternatives to shoveling. Use a snow blower and ice-melting products to help make snow removal easier.

## Girl Scout sends needed school supplies to children overseas

One of Annette Di Tommaso's favorite toys as a child was a jump rope. It makes her happy to remember jumping rope during recess. It makes her even happier to know that she spread that joy to a child in the Middle East by filling a Red Cross School Chest with a jump rope and many other school supplies.

Annette, now 14, got involved with the Cincinnati Area Chapter of the American Red Cross when it was recommended to her that she attend the Leadership Development Center (LDC) in 2001. LDC is a four-day event that teaches local teens leadership and problem-solving skills.

"The second I got there, I was so excited," Annette said.

During LDC, Annette heard about the Measles Initiative, the Chapter's efforts to immunize children in Africa against the Measles, a disfiguring and sometimes fatal disease.

Annette returned to school and organized a fundraiser at Bethany School, raising about \$1,000 for the Measles Initiative. The cost per immunization is less than \$1.

Since leaving the Bethany School to attend high school at Ursuline Academy, her efforts with the Red Cross have continued, this time in the form of a School Chest.

The Red Cross School Chest program ships school supplies to children in need in the Middle East. Typically, entire classrooms, groups or an organization will fill a chest - Annette filled one on her own.

"I was earning my Silver Award in Girl Scouts, which involves several small projects that lead into a final large project," Annette said.

The list of items that go into a School

Chest is extensive, and Annette earned the money herself through babysitting and Girl Scout cookie sales.

"I wanted to put my money where it could be of use to someone else," Annette said. "I could have used the money in that account for anything, but I wanted to do this."

Annette said she was looking for an organization that would actually use the money for a cause, not use most of it up on administrative costs.

"I know the Red Cross is there every day," Annette said. "I trust them."

Annette said she didn't think about the impact of the School Chest until she went shopping for the items and saw how much ended up in her shopping cart.

For a 14-year-old, Annette does a lot for others. In addition to her hobbies of softball, gymnastics and playing the piano competi-

tively, she has taught math to children at the Kumon Math and Reading Center for one year.

Annette just likes helping people, saying it makes her feel good.

"When I put that jump rope into the School Chest, I smiled," Annette said. "I loved my jump rope as a kid and now some classroom is going to have a jump rope. That makes me happy."

To learn more about the School Chest Program and how you or your organization can complete the project, call (513) 792-4000.



## Two dedicated volunteers honored with awards

Murth Staley, a volunteer at the Cincinnati Area Chapter for 15 years, was welcomed into the 2003 Cincinnati Recreation Commission Senior Citizen Hall of Fame.

The 36<sup>th</sup> annual ceremony recognizes seniors who provide significant and continuing contributions to the social and cultural life of the Cincinnati community.

Staley was recognized as one of these dedicated seniors because of her activities on the Church Nurses and Ushers Committee, of which she helped organize 12 years ago.

Sally Steagall, also a Church Nurses and Ushers volunteer, was also recently recognized at the Medical Mutual Statewide Outstanding Senior Volunteer Awards.

Steagall received an honorable mention at the ceremony, which recognizes volunteers from across Ohio who are committed to enhancing the quality of the lives of those around them.

Steagall is vice chairman and acting treasurer for the Church Nurses and Ushers and plays a leadership role in the Warm Fuzzy Project and Youth Rally.



Murth Staley



Sally Steagall

### Visit us on the Web!

#### You can:

- Get the latest Cincinnati Area Chapter news
- Find out about upcoming events
- Purchase Red Cross clothing and products
- Get Red Cross course information
- Make a donation

[www.cincinnati.redcross.org](http://www.cincinnati.redcross.org)

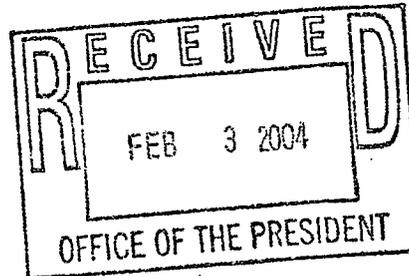
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**Edward A. Heidt, Jr.**  
**P.O. Box 2100**  
**Virginia Beach, VA 23450**  
**(757) 498-0186**

January 30, 2004

Mr. David T. McLaughlin, Chairman  
American Red Cross /National Headquarters  
2025 E. Street N.W.  
Washington, DC 20006



Dear David:

I would like to restate an important issue brought up in the Executive Committee meeting.

I am concerned about the apparent lack of fiscal responsibility that is being exhibited on behalf of and by the Board (more specifically, the Executive Committee). The two most recent ExComm dinners in November and January were extremely costly and put the organization at risk with respect to our management of donor contributions. The ARC has spent approximately \$ 7500 on the two dinners. If one were to count the number of Governors who attended, the cost per individual would be impossible to justify. The issues are these:

- Is the ARC wisely using donor resources to their best use? In the past we have had ExComm dinners hosted by you, myself and others. They were open to all senior volunteers and staff who were in town the evening before our meeting. In all cases, the bill was shared equally by all and any staff that attended paid their own way (most likely expensed later). I am not proposing that we simply "brown bag" it, I am suggesting that as the leadership of the organization we should set a better example and pay our own way (as we have many times in the past) on these informal non-whole Board dinners.
- The November dinner at the Oval Room began with all the attendees standing in front of the restaurant with wine or drink in hand. Can you imagine a picture of that group on the front page of the Post? You could imagine the caption. The image of our organization has taken more than a century to build. We have slightly damaged it a few times, most recently during the aftermath of 9/11. Is this really worth the risk?

David, if after careful thought, you feel that we should continue this type of dinner format, let me make a suggestion. For the remainder of my term, I would be happy to pay for the "bar bill" for any such dinner.

I welcome your feedback.

Best regards,

A handwritten signature in cursive script, appearing to read "E. Heidt, Jr.".

Edward A. Heidt, Jr.

COPY

Ms. Marsha J. Evans ✉  
Mr. Bill Gagliano

SFC-ARC-A001278

February 5, 2004

Mr. Abbas Sahraee Ardekani  
Secretary General  
Iranian Red Crescent Society  
Ostad Nejatollahi Ave.  
Tehran, IRAN

Dear Mr. Ardekani:

I regret my delayed response but wanted to thank you for your letter of last October informing our society of the outcomes of the recent Iranian Red Crescent conference, "Red Cross and Red Crescent Youth Coalition for Peace and Friendship." This must have been a challenging and rewarding experience for your national society and the youth delegations involved.

The subject of the Fundamental Principles of our Movement is more salient now than ever and deserves continued attention by all of us. Youth volunteers are very well suited, as you have recognized, to help the Movement communicate our values to those we serve.

I will forward the declaration adopted by this conference to our American Red Cross National Youth Council to assist their decisions and understanding of ongoing efforts by youth in other national societies. I will also share your letter with Mary DeKuyper, National Chair of Volunteers, who serves on the Federation Youth Commission.

Again, thank you for your dedication to humanitarian service

Regards,



David T. McLaughlin

cc: Marsha Evans  
Gerald Jones  
Mary DeKuyper

SFC-ARC-A001279



**American  
Red Cross**

**National Headquarters**  
2025 E Street, N.W.  
Washington, DC 20006

Marsha Johnson Evans  
President and Chief Executive Officer

February 6, 2004

Mr. William F. Grinnan, Jr.  
President  
The Republic of Texas Restaurants, Inc.  
429 East Commerce Street  
San Antonio, TX 78205

Dear Rick:

Thank you for your participation in our Service Area meetings in Birmingham. It was great to see you, and I hope you found the weekend as productive and interesting as I did!

I appreciate your dedication and leadership as we work to implement our Strategic Plan.

Sincerely,

*Marty*

*Rick,  
You're the best!*

***Together, we can save a life***

**SFC-ARC-A001280**

Feb 13, 2005

dear Sherry,

Thanks so much for your very kind letter of January 26<sup>th</sup>. Congratulations on your decision to create the next chapter of your life... I agree with your observation recently that "60 is the new 50." You're exiting Paramount with such class... a wonderful role model for all of us who face inevitable transitions.

I look forward to our continuing work together. And best wishes for happiness and health. Warm regards,  
Marty

# Paramount Pictures

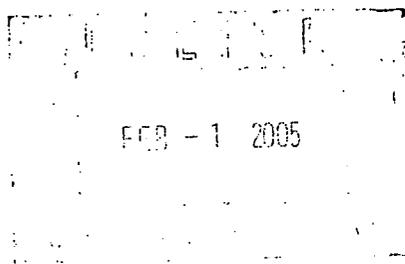
## Motion Picture Group

5555 Melrose Avenue  
Hollywood, CA 90038-3197  
323-956-4575  
Fax 323-862-8510

Sherry Lansing  
Chairman and CEO

January 26, 2005

Ms. Marsha Evans  
President and CEO  
The American Red Cross  
National Headquarters  
2025 E. Street N.W.  
Washington, DC 20006



Dear Marsha and Fellow Board Members,

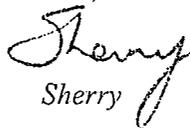
I wanted to let you know how sad I am that I am unable to be with you at the February 12<sup>th</sup> meeting of our Board. I regret that personal matters are preoccupying me temporarily. As you know, I am in the final stages of winding down my current professional obligations and making the transition to the "third chapter of my life." In the springtime, I will be free to devote myself fully to philanthropic causes, and of course the American Red Cross is at the top of my list.

The work of the American Red Cross is profoundly important to me, and it has only become more so in the wake of the tsunami disaster and, closer to home, in the aftermath of the floods and mudslides that have affected Ohio, Indiana and California. The capacity of our organization to respond quickly, effectively and compassionately to needs as different in scope and locale as these demonstrate yet again the unique power of the American Red Cross. No other organization could have mobilized on such a global scale; no one else could have offered such hope and assistance. I am reminded once more how fortunate we are to have the American Red Cross, and how privileged I am to play a role in its work.

It is especially gratifying that the public fully appreciates once again the value of the American Red Cross. I have never been more proud to be a part of this incomparable organization.

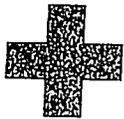
I will look forward to seeing you at our next meeting in May. Until then, my heart is with you and the work of the American Red Cross.

Best,

  
Sherry



SFC-ARC-A001282



**American  
Red Cross**

National Headquarters  
2025 E Street, N.W.  
Washington, DC 20006

Marsha Johnson Evans  
President and Chief Executive Officer

February 13, 2004

Mr. Steve Wunning  
Chair, Board of Directors  
Central Illinois Chapter  
American Red Cross  
311 W. John H. Gwynn Jr. Ave.  
Peoria, IL 61605-2566

Dear Mr. Wunning:

Thank you for your recent letter. I appreciate your kind words and thoughtful comments. I know the Central Illinois Chapter is lucky to have such an engaged chair. Let me try and address the key themes of your letter: the business case for these changes, chapter governance, and the speed of implementation of these changes.

In making the difficult line of authority decision, the Board of Governors realized that successful implementation of many important proposed initiatives depended on ensuring that management and governance roles and responsibilities are clear. The decision was made with the goal of building a structure that supports and ensures accountability and performance throughout the American Red Cross. As you know, the Board is composed of a majority of chapter-nominated Governors who have significant experience as chapter chairs.

As you mention, the Service Area Concept of Operations and Roles and Responsibilities was revised in December and articulates that a requirement of the Service Area is to work collaboratively with chapters toward successful outcomes. We are choosing individuals to fill Service Area Executive positions with this important criterion in mind.

I assure you that by no means are chapter boards advisory in nature. Chapter boards still initiate the hiring and evaluation of the chapter executive, develop the chapter's strategic plan, propose the chapter's budget, and shape the service delivery plan directly reflecting community needs. For chapters to be more successful, it will require the full engagement of the board in fund raising. These duties demand an active level of participation that build upon strong ties between chapter board members and their communities. To be effective, Service Area Executives will rely heavily on the guidance of chapter boards and chapter executives. The changes are intended to create stronger partnerships with local chapters. Chapter boards will not be marginalized.

*Together, we can save a life*

SFC-ARC-A001283

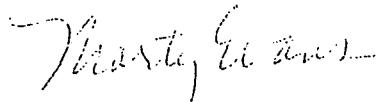
Further, you mentioned your concern that a comprehensive cost benefit analysis was not provided with the line of authority decision. As communicated, we have been careful to ensure the Service Area costs will be funded by existing budgets through the reallocation of human resources and facilities costs supported by national headquarters in the field and at headquarters.

The implementation of the Chapter Performance Standards will provide a baseline for the essential elements of performance. The performance framework provides a system that ensures national priorities are consistently executed. This system will facilitate clarification of expectations for chapters and provide a mechanism for reviewing performance. It will also enable the organization to identify non-functioning units thereby allowing for implementation of alternative service delivery systems. This provides the Red Cross the opportunity to align performance with the strategic plan. It is this baseline performance that will provide the measure of success of Service Area Implementation.

You also raised the issue of speed of implementation of this new structure. The first two Service Areas were established in November 2003. Service Areas 4 and 8 are functioning very well. However, in the interest of full accountability, we are ensuring that challenges from these first implementations are identified and resolved prior to moving forward with the next six Service Areas in May, June and July. It is an ongoing learning process and it is important that implementation speed is balanced with implementation quality.

As you know from your own experience, once an important decision has been made, its implementation requires leadership to succeed. I look forward to chapter chairs like you, taking a leadership role in this process. Again, thank you for your valuable contribution. We appreciate your commitment, your continued service on the Central Illinois Chapter Board and your faith in the Red Cross.

Sincerely,



cc: David T. McLaughlin  
Rex Linder

SFC-ARC-A001284



**American  
Red Cross**

Office of the President and  
Chief Executive Officer

**National Headquarters**  
2025 E Street, N.W.  
Washington, DC 20006

February 16, 2004

Mr. David Cohen  
Chairman  
Southeastern Pennsylvania Chapter  
American Red Cross  
23 & Chestnut Street  
Philadelphia, PA 19103

Dear David:

We appreciate your letter of February 3 and were pleased to recognize that we share with you the dedication to a common objective – improving the consistency of service delivery throughout the network of American Red Cross units.

We read your proposed “Clarifying Principles” with great care and close attention, and are pleased to say that the very legitimate issues you raise were factored into the Board’s unanimous Service Area decision in September, and in the Service Area Concept of Operations released in December. More importantly, we now have concrete experience with the Concept of Operations for chapters in the Southeast and Southwest Service Areas from the past several months. This experience shows that the chapter boards are not advisory boards. To the contrary, they are continuing to act as real boards with real responsibility and authority in a partnership with the Service Areas.

As in all corporations, ultimate authority and accountability rests with the national Board and officers. This has been the case for the Red Cross for decades, as reflected in the corporate governance documents. However, the unique business model for the Red Cross establishes that the Board of Governors delegates the authority and responsibility to both the President and CEO and the chapters. The introduction of the Service Areas preserves this governance scheme, but more clearly articulates the partnering of chapters and the national sector in their responsibilities and authority. The Service Areas and the chapters are expected to partner in this structure to achieve the overarching goal of “one Red Cross.”

The philosophy of local approval partnering with corporate approval in the chapter budgets, strategic plans, and unit executives is resonating and gaining acceptance as chapter staff and boards recognize that they are not ceding day-to-day control of their own affairs. As in previous years, each chapter executive is responsible for developing a fiscal year 2005 budget based on the chapter’s strategic plan, community needs, and revenues. Chapter budgets are still approved

*Together, we can save a life*

**SFC-ARC-A001285**

locally by the chapter board, and are then forwarded to the Service Area for corporate approval. For most chapters, this will be a routine event. In instances where chapters need additional guidance, this help will be offered by experts who are in closer geographical proximity and with a sensitive understanding of regional issues.

In fact, in previous years, our largest chapters ("Scope Chapters"), including SEPA, were required to send budgets (and chapter executive recommendations) to Washington, D.C., for approval by national headquarters. This did not result in dissatisfaction voiced by local philanthropists and chapter supporters because it was correctly viewed as an internal oversight measure to ensure quality and consistency. Service Areas apply this principle more broadly and systematically, but it is specifically designed to retain the chapter board's ability to set local spending plans and recruit the executives best-suited to their communities.

We believe emphatically that the potential consequences you mention as likely in the wake of the changes we are implementing will not materialize in those chapters, like SEPA, that provide good service and engage their community. The actual implementation of the Service Areas in the two early sites shows tangible signs that this new structure will in fact succeed as envisioned. We want all chapters to share in that success, as we will be better able to fulfill our promise to the American people today, tomorrow, and in the centuries to come.

Best regards,



David T. McLaughlin  
Chairman



Marsha J. Evans  
President and CEO

SFC-ARC-A001286



**American  
Red Cross**

**National Headquarters**  
2025 E Street, N.W.  
Washington, DC 20006

Marsha Johnson Evans  
President and Chief Executive Officer

February 26, 2004

Mr. Brett Matthews  
CEO  
Imagitas  
48 Woerd Avenue  
Waltham, MA 02453-3826

Dear Mr. Matthews

Thank you for your generous gift of \$5,000.00 to the American Red Cross. Your heartfelt contribution enables us to continue to deliver vital Red Cross services across the country.

The Red Cross has an unparalleled record of helping people prevent, prepare for, and respond to emergencies. In addition to delivering relief services to victims of disaster, the Red Cross offers health and safety training, collects donated blood for patients in need, provides emergency communication services to military families, operates international projects that save and improve lives, and delivers tailored community programs such as transportation and meals for the needy.

Only with the help of our friends can the Red Cross continue to carry out our humanitarian mission. While your support means everything to us, it means even more to the people we service. Again, thank you for your commitment to the Red Cross. *Together, we can save a life.*

Sincerely,

cc: David McLaughlin, Chairman

*Together, we can save a life*

SFC-ARC-A001287

# Imagitas

JAN 22 2004

January 16, 2004

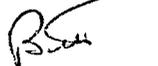
David McLaughlin  
President-Emeritus  
The Gallery  
Office of the President-Emeritus  
46 Newport Road, Suite 203  
New London, NH 03257-4240

Dear President McLaughlin:

Happy New Year to you and your family. As part of our charitable giving for Imagitas this year, we decided to donate to the American Red Cross. I am sure you know the right people to send this to so as to do the most good.

May you (and the Red Cross) have a great 2004 and beyond.

Regards,



Brett Matthews  
CEO

2/27

Marty -

I just sat through the public support committee report. I was thrilled with our study on diversity. Being of one-hundred percent hispanic background, I was particularly filled with pride that we would begin - and to begin to embrace this market.

Thank you for this -

Carl Chan



**American  
Red Cross**

**National Headquarters**  
2025 E Street, N.W.  
Washington, DC 20006

**Marsha Johnson Evans**  
President and Chief Executive Officer

March 10, 2004

Susan Hassmiller, Ph.D, R.N.  
Member, Board of Governors  
American Red Cross  
The Robert Wood Johnson Foundation  
Rt 1 & College Road East  
P.O. Box 2316  
Princeton, NJ 08543-2316

Dear Sue:

Thank you for your participation in the Task Force on Volunteerism. Your hard work, and that of your fellow members, produced a report that has the potential to shape the future of volunteerism across the entire American Red Cross.

I was so pleased with the Governors' very positive reaction to the plan. I understand the Governance Committee will take up the three recommendations related to governance. Senior management is already hard at work implementing a number of the recommendations, and the membership of the Steering Committee for the Volunteer Renewal, Phase 2, Project has been selected and is beginning to address the remaining recommendations. As you can see, I echo your desire to have the Task Force's report lead to current and future action and practices – and not end up on the shelf.

On behalf of the Red Cross, I am enclosing a token of our appreciation for your service. I hope it reminds you of your significant contribution to the effort. Again, thank you for your dedication and leadership.

Sincerely,

*Together, we can save a life*

SFC-ARC-A001290



**American  
Red Cross**

**National Headquarters**  
2025 E Street, N.W.  
Washington, DC 20006

Marsha Johnson Evans  
President and Chief Executive Officer

March 15, 2004

Mr. Jon M. Huntsman  
Founder and Chairman  
Huntsman LLC  
500 Huntsman Way  
Salt Lake City, UT 84108

Dear Jon,

Thank you for inviting me to the dedication ceremony for the Huntsman Cancer Hospital. While I would have loved to celebrate with you, I regret that I will not be able to attend due to a prior commitment. Please extend my warmest congratulations to everyone at the Huntsman Cancer Institute.

Again, thank you for thinking of me – I know it will be a wonderful event.

Sincerely,

*Together, we can save a life*

SFC-ARC-A001291



**American  
Red Cross**

**National Headquarters**  
2025 E Street, N.W.  
Washington, DC 20006

**Marsha Johnson Evans**  
President and Chief Executive Officer

March 19, 2004

The Honorable Tommy G. Thompson  
Secretary of Health and Human Services  
Department of Health and Human Services  
200 Independence Avenue, S.W.  
Washington, DC 20201

Dear Secretary Thompson:

I am pleased to announce the appointment of new senior leadership within the American Red Cross Biomedical Services.

John F. "Jack" McGuire will join the Red Cross as the Executive Vice President of Biomedical Services on March 22, 2004. In his new capacity, Mr. McGuire will lead the Red Cross in fulfilling our steadfast commitment to the safety and availability of the blood supply. As our primary liaison to the FDA, he will assure that the quality of our biomedical services continues to meet FDA requirements.

Mr. McGuire's career includes more than 22 years as a leader in the biomedical field. Most recently, he served as president of Whatman, PLC North America, a UK-based manufacturer of filtration and separation materials and devices for the laboratory market. During his tenure with Whatman, he successfully restructured the organization to achieve proper growth and profitability.

From 1997 until its 2001 sale to Whatman, Mr. McGuire acted as President and CEO of HemaSure, Inc., a company which developed products to increase the safety of donated blood and improved certain blood transfusion and collection procedures. In 2000, he received the Distinguished Service Award from the American Association of Blood Banks (AABB), an award that recognized his commitment to the Association and its work to improve patient access to new blood banking technologies.

I believe that Mr. McGuire will be strongly supportive of our staff and will concentrate all of his energy on the Red Cross mission of providing safe and available blood products, while assuring we meet the requirements of the FDA.

*Together, we can save a life*

SFC-ARC-A001292

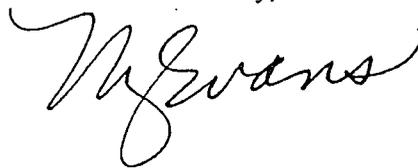
Sec. Thompson  
page 2

Additionally, C. William Cherry will join the Red Cross as our Senior Vice President for Quality Assurance and Regulatory Affairs. Mr. Cherry's position will be key in our quest to satisfy all regulatory requirements and to come into full compliance with our Consent Decree. Possessing a wealth of experience in regulatory and quality issues, Mr. Cherry recently held the position of Vice President for Quality and Compliance at Aventis Bio-Services, Inc. In this position, he significantly expanded and improved QA/Compliance support and oversight, and interacted with the FDA to effectively resolve compliance issues.

Under the leadership of these outstanding candidates, American Red Cross Biomedical Services will continue to advance and improve its mission of providing safe and available blood products to those in need.

Thank you for your continued support of all our efforts here at the Red Cross.

Sincerely,

A handwritten signature in cursive script, appearing to read "M. Evans". The signature is written in black ink and is centered below the word "Sincerely,".

SFC-ARC-A001293



**American  
Red Cross**

**National Headquarters**  
2025 E Street, N.W.  
Washington, DC 20006

Marsha Johnson Evans  
President and Chief Executive Officer

March 22, 2004

Mr. Steven E. Carr  
Partner  
Fuller & Carr Law Offices  
410 Memorial Drive, Suite 201  
Idaho Falls, ID 83402

Dear Steve:

Thank you for taking the time to join us at the meeting at the Carr Center and for the talk at the Kennedy School – it was great to see you and I hope you found the visit as productive as I did.

The American Red Cross is fortunate to have your involvement as a governor. As we move forward as one Red Cross to address the challenges ahead, I want to thank you for your leadership and steadfast dedication to our humanitarian mission.

Warm regards,



**American  
Red Cross**

**National Headquarters**  
2025 E Street, N.W.  
Washington, DC 20006

Marsha Johnson Evans  
President and Chief Executive Officer

March 22, 2004

Ms. Kate Forbes  
Executive Vice President and CFO  
eTec  
401 South 2nd Avenue  
Phoenix, AZ 85003-2417

Dear Kate,

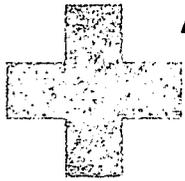
Thank you for sending Stephen Case's resume to me. I value your recommendation and will keep it in mind as we move forward.

We are fortunate to have your involvement as an American Red Cross Governor and I appreciate your leadership and dedication.

Sincerely,

*Together, we can save a life*

SFC-ARC-A001295



**American Red Cross**

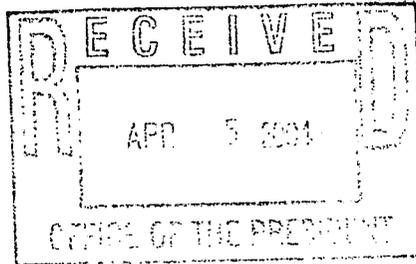
*E*

**Bay Area Chapter**  
85 Second Street, 8th Floor  
San Francisco, CA 94105  
Phone: (415) 427-8000  
Fax: (415) 427-8118

[www.bayarea-redcross.org](http://www.bayarea-redcross.org)

March 30, 2004

Mr. David McLaughlin  
Chairman  
American Red Cross  
2025 E Street, N.W.  
Washington, DC 20006



*cc: Mary Eleano -  
Alan McCurry -  
Terry Sicilia -*

Dear David:

I wanted to send you a belated thank you for your March 16<sup>th</sup> letter. It was shared with our Board at its meeting on March 25<sup>th</sup> and was, for the most part, well received. I had also invited our new Service Area Executive, Pat Hofmaster, to join us at the meeting and she shared with us her perspective on how the Service Area concept will play out on a practical, day-to-day basis. She is an outstanding individual and I have to compliment Terry Sicilia and all the people involved in selecting the SAEs. I do not know all the SAEs but the ones I am familiar with are all top-quality people and excellent leaders. I think the combination of your visit in January, your letter, and Pat's visit have brought folks to the point where they're willing to trust in the system and give it a try.

From your letter it sounds like I may have left the impression with Ross that our chapter was entertaining the thought of co-sponsoring the resolution which Geoff Rosenberger is advancing. I was approached by Geoff and did poll my Executive Committee on the subject. I got very mixed reactions, as I thought I would. I had already decided that we were not going to co-sponsor for a number of reasons. First, I do not sense a passion within the organization to support such a resolution. Secondly, my personal sense is the wording in the resolution is flawed, in that it only addresses the reporting relationship of the CEO and not the governance responsibility of the Board. And, finally, I did not want to put the Bay Area Chapter in a position of having others speaking on our behalf.

Thank you, again, David, for the time and energy you have devoted to this issue. Your strong commitment and leadership have been exemplary and are very much appreciated by us in the Bay Area. Take care and I look forward to seeing you in St. Louis.

Best regards,

*Greg*  
Gregory A. Smith  
Chair of the Board

cc: Marty Evans, Ross Ogden, Harold Brooks

**SFC-ARC-A001296**

3/30

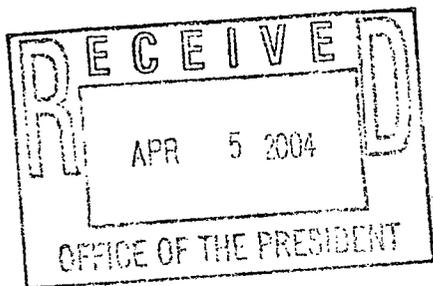
David -

FYI - We had a  
very good meeting  
with Markku . .

Marty

*Together, we can save a life*

*The Secretary General*



Ms. Marsha Johnson Evans  
President and Chief Executive Officer  
American Red Cross  
2025 E Street N.W.  
20006 Washington D.C.  
United States

Geneva, 30 March 2004

*Dear Marsha,*

Please accept my sincere thanks for your and your colleagues hospitality in Washington. I was greatly encouraged by our discussions and look forward to moving ahead with you and the American Red Cross on the myriad of issues and challenges we have before us.

The Federation is an ideal I am firmly committed to : all the disparate and very different entities which make up our Red Cross / Red Crescent Movement, working together efficiently and effectively in a spirit of solidarity, trust and understanding to begin to realize the vast potential of the whole. Since its beginning, the American Red Cross has been one of the lynch pins of this Federation. The International Services department of the American Red Cross has proven itself to be an extremely active participant in supporting the National Societies both in emergency operations and in long-term capacity building efforts. Over the years, many close working relationships have developed between the American Red Cross and Secretariat staff. Both institutions have been enriched by secondments back and forth. I look forward to continuing and expanding this close operational co-operation, and building on the togetherness we have reestablished in recent years.

As you know, I am firmly committed to working closely with the American Red Cross over the next two years to help resolve the American Red Cross Barème issue. Given the financial difficulties faced by the Federation over the last few years, the significance of this contribution has indeed become vital. Your personal interest and support on this difficult matter is crucial to ensure that an arrangement acceptable to all can be reached, as soon as possible.

Please extend my personal thanks also to Gerry, Brian and the other American Red Cross staff who contributed to the productivity of my meetings and facilitated my stay in Washington. I look forward to having the opportunity to host you in Geneva, and greatly look forward to our joint field visit to Africa.

With warm regards,

  
Markku

c.c. Gerry Jones, Vice President, International Services

SFC-ARC-A001298



**American  
Red Cross**

National Headquarters  
2025 E Street, N.W.  
Washington, DC 20006

Marsha Johnson Evans  
President and Chief Executive Officer

April 27, 2004

The Honorable Bonnie McElveen-Hunter  
Pace Communications, Inc.  
1301 Carolina Street  
Greensboro, NC 27401

Dear Bonnie,

I am so pleased that you are amenable to discussing the American Red Cross. As we discussed Friday, here is some background information on the organization including our most recent annual report with financials, our five year strategic plan, and several short issue topics.

I came to the Red Cross just 21 months ago. In the time here, we've built a solid plan that recognizes the new realities and Red Cross' additional scale of responsibilities; we've streamlined operations and built solid relationships with our nearly 900 local chapters. We have also negotiated a revised Consent Decree with the FDA and made great progress to modernize Biomedical Services. There is a great deal still to be done. A strong board is key to continued progress.

Kate Forbes, Board Vice President and Chair of the Chair Search Committee, is looking forward to introducing you to the Committee and discussing the Chair of the Board role. I am very much looking forward to sharing management perspectives on our goals and challenges. I hope your trip to Spain was wonderful!

Sincerely,

*Together, we can save a life*

SFC-ARC-A001299



**American  
Red Cross**

**National Headquarters**  
2025 E Street, N.W.  
Washington, DC 20006

Marsha Johnson Evans  
President and Chief Executive Officer

May 6, 2004

Mr. David T. McLaughlin  
Chairman  
American Red Cross  
2025 E Street, NW  
Washington, DC 20006

Dear David,

I want to thank you for your generous gift of \$250.00 in support of the General Fund of the American Red Cross. I understand your contribution was made on behalf of five Red Cross Governors: Deputy Secretary of State Richard Lee Armitage, Secretary of Education Roderick R. Paige, Secretary of Veterans Affairs Anthony J. Principi, Secretary of Homeland Security Thomas J. Ridge, and Secretary of Health and Human Services Tommy G. Thompson.

Your contribution and help with the 2004 Board of Governors Campaign, resulting in 100 percent participation for the second year in a row, has been invaluable. I applaud the precedent you have set for involving our Governors in fundraising. You will be leaving an impressive legacy of leadership.

Again, thank you for your outstanding commitment to the Red Cross.

Warm regards,

This serves as the tax receipt for your gift received on May 4, 2004. The American Red Cross is a tax-exempt, nonprofit organization as described in section 501(c)(3) of the IRS Code for 1984, as amended. Adequate records will be maintained and made available to the IRS upon request. In accordance with IRS regulations, no goods or services were provided by the American Red Cross as part of this contribution. Your gift may be recognized in future Red Cross publications. If you prefer your gift to remain anonymous, or have questions about your gift's designation, or would like to learn more about the services that the Red Cross is committed to providing, please call 1-800-797-8022.

*Together, we can save a life*

**SFC-ARC-A001300**



**American  
Red Cross**

**National Headquarters**  
2025 E Street, N.W.  
Washington, DC 20006

Marsha Johnson Evans  
President and Chief Executive Officer

May 12, 2004

Ms. Sherry Lansing  
Chairman and CEO  
Motion Picture Group, Paramount Pictures  
5555 Melrose Avenue, Admin. Building  
Hollywood, CA 90038

Dear Sherry:

It was such a pleasure seeing you last Monday night. Thank you for graciously hosting the dinner at Mr. Chow in honor of our 2004 American Red Cross National Celebrity Cabinet. Your participation had such a powerful impact in engaging those in attendance to support the good works of the Red Cross.

Your role as chair of our National Celebrity Cabinet means so much to our organization. Julie Whitmer, Director, Celebrity Outreach, will be in touch with Allison Jackson to inquire if your schedule might permit a dinner in New York in the next month or so to give our East Coast members an opportunity to get together. We would love to discuss the potential of an annual intimate dinner with the cabinet members, both in Los Angeles and New York.

I was thrilled to hear your many creative ideas of ways the Red Cross can work to obtain greater visibility on important issues. Thank you for referencing Secretary Thompson's possible involvement in phoning studio heads to encourage them to host blood drives. I will be in touch with him soon. In FY03, Paramount, Universal, Warner Brothers, Dreamworks, Sony, Disney, and Twentieth Century Fox hosted 15 drives collectively, raising 885 units, and ultimately helping to save approximately 2,655 lives. We truly appreciate the effort that each studio has put into these events. We look forward to future campaigns, and will work to publicize these blood drives through our Celebrity Cabinet members.

You were so generous to also mention hosting another fundraising premiere next summer to benefit the Red Cross. It was a new and wonderful experience to receive \$81,000 for the Disaster Relief Fund from *Tomb Raider: The Cradle of Life's* ticket sales. We understand the Red Cross would be responsible for developing a guest list, selling tickets, and promoting the event, and to ensure even greater success, we would look to involve an outside agency with experience in selling tickets.

Sherry, I appreciate everything you do for the Red Cross. Your leadership as a valued Red Cross Governor is unparalleled. Thank you again for hosting such a lovely and memorable evening!

Sincerely,

*Marty*

*Sherry, I am  
so grateful you  
are on our Board of  
Governors - and helping  
us so much - Thanks!*

**Together, we can save a life**

**SFC-ARC-A001301**

5/31



Marsha Johnson Evans

Dear Sherry,

It was so good to see you at the Board meeting in St. Louis. I believe the convention was a success... at least that's the feedback. I'm glad it's history!

I couldn't resist sending you a copy of Dakota's note to me... she is such a doll. Enjoy!

Can't wait till next week's opening of "Stepford Wives." Good luck!  
Warm regards,  
Marty

Ms. Sherry Lansing  
Chairman and CEO  
Motion Picture Group  
Paramount Pictures  
5555 Melrose Ave.  
Hollywood, CA 90038

SFC-ARC-A001302

CEO \_\_\_\_\_  
COS \_\_\_\_\_  
DCOS A 6/1  
AC \_\_\_\_\_  
MPC JL  
WPC \_\_\_\_\_

1  
5  
?

National Headquarters  
Office of the President & CEO

To: David T. McLaughlin, Chairman  
Red Cross Governors

Date: June 2, 2004

From: Marty Evans *Marty*

Subject: *America's Disasters 2003*  
*A Call to Action*

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Although Americans need to be prepared, we know many still are not. As America's most constant partner in preventing and responding to life-threatening emergencies, the American Red Cross is committed to reversing this condition by making it easy to become better prepared.

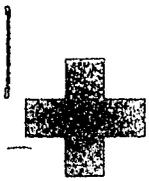
*America's Disasters 2003: A Call to Action* serves as a tangible reminder of the vital role we play in this effort and will be used on a national, regional, state, and local level to raise awareness of our part in preventing, preparing and responding to disasters. This important message is illustrated via a chronicle of the year's major disaster responses, the ten highest-impact disasters of 2003, and a state-by-state section of disaster statistics that reminds government leaders, the media, supporters, and others that we need their help in making our communities safer. As Red Cross Governors, we welcome your assistance in this effort as well.

The report is designed to convey our mission in a format that is beneficial and informative for both the casual reader and those seeking a more complete picture of our Response activities and our disaster preparedness efforts. We are encouraging Red Cross field units to use the report in educating key external audiences, as well as internal constituents, of the measurable impact our disaster relief program has on the families we serve.

For questions about the report or to refer national media inquiries, please contact Patrick McCrummen, Director of Response Communication and Marketing, at [McCrummenP@usa.redcross.org](mailto:McCrummenP@usa.redcross.org) or (202) 303-4288.

Enclosure

SFC-ARC-A001303



**American  
Red Cross**

**National Headquarters**  
2025 E Street, N.W.  
Washington, DC 20006

Marsha Johnson Evans  
President and Chief Executive Officer

June 4, 2004

The Honorable Bonnie McElveen-Hunter  
Pace Communications, Inc.  
1301 Carolina Street  
Greensboro, NC 27401

Dear Bonnie,

Welcome! I very much look forward to working with you in your position as Chair of the American Red Cross Board of Governors. I hope you find it as rewarding as I have found my first two years with this amazing organization.

Enclosed in this package are background materials briefly touching on the rich history of the Red Cross. I hope you find them helpful and informative. Please let me know if you have any questions.

Warm regards,

*Marty*

*Together, we can save a life*

SFC-ARC-A001304



**American  
Red Cross**

National Headquarters  
2025 E Street, N.W.  
Washington, DC 20006

Marsha Johnson Evans  
President and Chief Executive Officer

June 17, 2004

Judge John L. Braxton  
410 St. John Neumann Way  
Philadelphia, PA 19123-1448

Dear Judge Braxton:

Congratulations on your election to the American Red Cross Board of Governors. We greatly appreciate your willingness to serve.

It was wonderful to see you at our 2004 convention, and again here at national headquarters for Board Orientation. I hope you found both events interesting and informative. This is an exciting time for the Red Cross, and I look forward to working with you.

Again, thank you for your commitment to our humanitarian mission, and welcome.

Warm regards,

*Together, we can save a life*

SFC-ARC-A001305



**American  
Red Cross**

National Headquarters  
2025 E Street, N.W.  
Washington, DC 20006

Marsha Johnson Evans  
President and Chief Executive Officer

June 17, 2004

Steven J. Bredehoeft, M.D.  
Director, Transfusion Services  
Duke University Medical Center  
105 Karin Court  
Chapel Hill, NC 27514-1951

Dear Steve,

Thank you for your leadership as an American Red Cross Governor. Your dedication and service on behalf of this great organization has been much appreciated. Your compassionate commitment will be missed by all. I will particularly miss your perspectives on the organization's most challenging issues, which you so graciously shared.

It has been a pleasure to work with you, and I wish you the best in your future endeavors. I hope we can count on you in the future!

Warm regards,

*Together, we can save a life*

SFC-ARC-A001306



**American  
Red Cross**

**National Headquarters**  
2025 E Street, N.W.  
Washington, DC 20006

Marsha Johnson Evans  
President and Chief Executive Officer

June 17, 2004

Ms. Julie J. Burger  
11017 NW 17<sup>th</sup> Avenue  
Vancouver, WA 98685

Dear *Julie* Ms. Burger:

Congratulations on your election to the American Red Cross Board of Governors. We greatly appreciate your willingness to serve.

It was wonderful to see you at our 2004 convention, and again here at national headquarters for Board Orientation. I hope you found both events interesting and informative. This is an exciting time for the Red Cross, and I look forward to working with you as we continue to reach new heights.

Again, thank you for your commitment to our humanitarian mission, and welcome.

Warm regards,

*Marty*

*Together, we can save a life*

SFC-ARC-A001307



**American  
Red Cross**

**National Headquarters**  
2025 E Street, N.W.  
Washington, DC 20006

Marsha Johnson Evans  
President and Chief Executive Officer

June 17, 2004

Ms. Kathryn A. Forbes  
Executive Vice President  
& Chief Financial Officer  
eTec  
401 South 2nd Avenue  
Suite 100  
Phoenix, AZ 85003

Dear Kate,

Thank you for your leadership as an American Red Cross Governor. Your dedication and service on behalf of this great organization has been much appreciated. Your leadership and perseverance on the organization's tough issues have made an enormous difference in defining our future. Your compassionate commitment will be missed by all.

It has been a pleasure to work with you, and I wish you the best in your future endeavors.

Warm regards,

*Together, we can save a life*

SFC-ARC-A001308



American  
Red Cross

National Headquarters  
430 17th Street, N.W.  
Washington, DC 20006

Bernadine Healy, M.D.  
President and  
Chief Executive Officer

June 21, 2001

Ms. Karen K. Goodman  
Member, American Red Cross Board of Governors  
Executive Director  
Civic Entrepreneurs Organization  
121 South Meramec, 9th Floor  
St. Louis, MO 63105

Dear Ms. Goodman:

I was impressed with the Chapter Audit Committees Task Force's report. The Task Force report identifies many specific ways that we can significantly improve the chapter auditing process — your observations and recommendations will be very helpful to the Audit Committee.

The American Red Cross is accountable to the people we serve, and to our donors, for maintaining the highest standards of financial integrity at all levels of our organization. Thank you for your contributions to the Task Force and on the Audit Committee.

Warm regards,

*We'll be there.*

SFC-ARC-A000515