

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

The organization may have to use a copy of this return to satisfy state reporting requirements.

Form 990

Department of the Treasury Internal Revenue Service

A For the 2004 calendar year, or tax year beginning and ending

B Check if applicable

- Address change, Name change, Initial return, Final return, Amended return, Application pending

Please use IRS label or print of type See Specific Instructions

C Name of organization RONALD MCDONALD HOUSE CHARITIES OF ALABAMA, INC.

D Employer identification number 63-0753358

Number and street (or P.O. box if mail is not delivered to street address)

Room/suite

E Telephone number (205) 933-0692

920 17TH STREET SOUTH

City or town, state or country, and ZIP + 4

BIRMINGHAM, AL 35205

F Accounting method Cash [X] Accrual [ ] Other (specify)

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? Yes [ ] No [X]

H(b) If "Yes," enter number of affiliates

H(c) Are all affiliates included? N/A Yes [ ] No [ ]

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes [ ] No [X]

I Group Exemption Number

M Check [ ] if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

G Website: N/A

J Organization type (check only one) [X] 501(c)(3) (insert no) [ ] 4947(a)(1) or [ ] 527

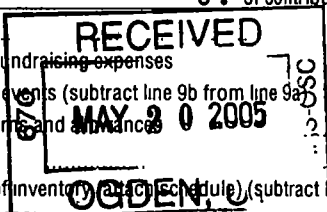
K Check here [ ] if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 932,901.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

SCANNED JUL 07 05

Table with 21 rows and columns for Revenue, Expenses, and Net Assets. Includes sub-rows for contributions, program revenue, investments, and sales. Total revenue is 878,979 and total expenses is 485,063.



**RONALD MCDONALD HOUSE CHARITIES OF  
ALABAMA, INC.**

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**Part II Statement of Functional Expenses** All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. Page 2

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____)	22			
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25 Compensation of officers, directors, etc.	25	71,400.	42,840.	14,280.
26 Other salaries and wages	26	141,971.	118,679.	13,896.
27 Pension plan contributions	27			
28 Other employee benefits	28			
29 Payroll taxes	29	18,873.	13,659.	2,607.
30 Professional fundraising fees	30			
31 Accounting fees	31	12,467.	8,727.	3,740.
32 Legal fees	32			
33 Supplies	33	4,060.	3,650.	205.
34 Telephone	34	10,668.	10,360.	154.
35 Postage and shipping	35	1,572.	314.	629.
36 Occupancy	36	48,180.	46,790.	695.
37 Equipment rental and maintenance	37			
38 Printing and publications	38			
39 Travel	39			
40 Conferences, conventions, and meetings	40	556.	278.	278.
41 Interest	41			
42 Depreciation, depletion, etc. (attach schedule)	42	54,003.	52,445.	779.
43 Other expenses not covered above (itemize):				
a _____	43a			
b _____	43b			
c _____	43c			
d _____	43d			
e <b>SEE STATEMENT 5</b>	43e	109,814.	80,845.	13,975.
44 <small>Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15.</small>	44	473,564.	369,860.	56,225.

**Joint Costs.** Check  if you are following SOP 98-2.  
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?  Yes  No  
 If "Yes," enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_; (ii) the amount allocated to Program services \$ \_\_\_\_\_;  
 (iii) the amount allocated to Management and general \$ \_\_\_\_\_; and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_

**Part III. Statement of Program Service Accomplishments**

What is the organization's primary exempt purpose? <b>SEE ATTACHED STATEMENT</b> <small>All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)</small>	<b>Program Service Expenses</b> <small>(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others.)</small>
a <b>TO PROVIDE A FACILITY FOR USE BY CHILDREN AND THEIR IMMEDIATE FAMILIES NEEDING LOW-COST LODGING DURING EXTENDED MEDICAL TREATMENT IN BIRMINGHAM AREA HOSPITALS. SEE ATTACHED STATEMENT FOR MORE INFORMATION.</b> (Grants and allocations \$ _____)	369,860.
b _____ (Grants and allocations \$ _____)	
c _____ (Grants and allocations \$ _____)	
d _____ (Grants and allocations \$ _____)	
e Other program services (attach schedule) (Grants and allocations \$ _____)	
<b>f Total of Program Service Expenses</b> (should equal line 44, column (B), Program services)	369,860.

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**Part IV Balance Sheets**

**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year	
<b>Assets</b>	45 Cash - non-interest-bearing	241,831.	45	562.	
	46 Savings and temporary cash investments		46	1,078,763.	
	47 a Accounts receivable	33,837.			
	b Less: allowance for doubtful accounts		47c	33,837.	
	48 a Pledges receivable				
	b Less: allowance for doubtful accounts		48c		
	49 Grants receivable		49		
	50 Receivables from officers, directors, trustees, and key employees		50		
	51 a Other notes and loans receivable				
	b Less: allowance for doubtful accounts		51c		
	52 Inventories for sale or use		52		
	53 Prepaid expenses and deferred charges		53		
	54 Investments - securities	▶ <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54	
	55 a Investments - land, buildings, and equipment: basis				
	b Less: accumulated depreciation		55c		
56 Investments - other	SEE STATEMENT 6	1,572,851.	56	1,499,117.	
57 a Land, buildings, and equipment: basis	1,740,595.				
b Less: accumulated depreciation	989,613.	800,053.	57c	750,982.	
58 Other assets (describe ▶ _____)	SEE STATEMENT 7	258,333.	58	0.	
<b>59 Total assets (add lines 45 through 58) (must equal line 74)</b>		2,905,674.	59	3,363,261.	
<b>Liabilities</b>	60 Accounts payable and accrued expenses	25,133.	60	9,294.	
	61 Grants payable		61		
	62 Deferred revenue		62		
	63 Loans from officers, directors, trustees, and key employees		63		
	64 a Tax-exempt bond liabilities		64a		
	b Mortgages and other notes payable		64b		
	65 Other liabilities (describe ▶ _____)		65		
<b>66 Total liabilities (add lines 60 through 65)</b>		25,133.	66	9,294.	
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 67 through 69 and lines 73 and 74.</b>				
	67 Unrestricted	2,292,795.	67	2,567,259.	
	68 Temporarily restricted	56,346.	68	255,308.	
	69 Permanently restricted	531,400.	69	531,400.	
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> <b>and complete lines 70 through 74.</b>				
	70 Capital stock, trust principal, or current funds		70		
	71 Paid-in or capital surplus, or land, building, and equipment fund		71		
	72 Retained earnings, endowment, accumulated income, or other funds		72		
	<b>73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)</b>		2,880,541.	73	3,353,967.
	<b>74 Total liabilities and net assets / fund balances (add lines 66 and 73)</b>		2,905,674.	74	3,363,261.

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.



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**Part VI Other Information**

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		<b>X</b>
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.		<b>X</b>
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		<b>X</b>
b	If "Yes," has it filed a tax return on Form 990-T for this year? <span style="float:right">N/A</span>		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		<b>X</b>
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?		<b>X</b>
b	If "Yes," enter the name of the organization <input type="checkbox"/> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81 a	Enter direct or indirect political expenditures. See line 81 instructions <span style="float:right">81a 0.</span>		
b	Did the organization file Form 1120-POL for this year?		<b>X</b>
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		<b>X</b>
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) <span style="float:right">82b N/A</span>		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	<b>X</b>	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	<b>X</b>	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		<b>X</b>
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? <span style="float:right">N/A</span>		
85	<b>501(c)(4), (5), or (6) organizations.</b> a Were substantially all dues nondeductible by members? <span style="float:right">N/A</span>		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? <span style="float:right">N/A</span>		
	If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
c	Dues, assessments, and similar amounts from members <span style="float:right">85c N/A</span>		
d	Section 162(e) lobbying and political expenditures <span style="float:right">85d N/A</span>		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices <span style="float:right">85e N/A</span>		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) <span style="float:right">85f N/A</span>		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? <span style="float:right">N/A</span>		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? <span style="float:right">N/A</span>		
86	<b>501(c)(7) organizations.</b> Enter: a Initiation fees and capital contributions included on line 12 <span style="float:right">86a N/A</span>		
b	Gross receipts, included on line 12, for public use of club facilities <span style="float:right">86b N/A</span>		
87	<b>501(c)(12) organizations.</b> Enter: a Gross income from members or shareholders <span style="float:right">87a N/A</span>		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) <span style="float:right">87b N/A</span>		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		<b>X</b>
89 a	<b>501(c)(3) organizations.</b> Enter: Amount of tax imposed on the organization during the year under: section 4911 <input type="checkbox"/> 0.; section 4912 <input type="checkbox"/> 0.; section 4955 <input type="checkbox"/> 0.		
b	<b>501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		<b>X</b>
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 <span style="float:right">0.</span>		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization <span style="float:right">0.</span>		
90 a	List the states with which a copy of this return is filed <input type="checkbox"/> <u>ALABAMA</u>		
b	Number of employees employed in the pay period that includes March 12, 2004 <span style="float:right">90b 11</span>		
91	The books are in care of <input type="checkbox"/> <u>ROBERTA SHAPIRO</u> Telephone no. <input type="checkbox"/> <u>(205) 933-0692</u>		
	Located at <input type="checkbox"/> <u>920 17TH STREET SOUTH, BIRMINGHAM, AL</u> ZIP + 4 <input type="checkbox"/> <u>35205</u>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <span style="float:right">92 N/A</span>		

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**Part VII Analysis of Income-Producing Activities** (See page 33 of the instructions.)

**Note:** Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
<b>93</b> Program service revenue:					
<b>a</b> ROOM RENTALS					41,821.
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>f</b> Medicare/Medicaid payments					
<b>g</b> Fees and contracts from government agencies					
<b>94</b> Membership dues and assessments					
<b>95</b> Interest on savings and temporary cash investments					
<b>96</b> Dividends and interest from securities			14	48,298.	
<b>97</b> Net rental income or (loss) from real estate:					
<b>a</b> debt-financed property					
<b>b</b> not debt-financed property					
<b>98</b> Net rental income or (loss) from personal property					
<b>99</b> Other investment income					
<b>100</b> Gain or (loss) from sales of assets other than inventory			18	9,014.	
<b>101</b> Net income or (loss) from special events			01	222,862.	
<b>102</b> Gross profit or (loss) from sales of inventory					
<b>103</b> Other revenue:					
<b>a</b> VENDING					3,993.
<b>b</b> WASHER & DRYER					2,472.
<b>c</b> NOVELTY ITEMS			01	121.	
<b>d</b>					
<b>e</b>					
<b>104</b> Subtotal (add columns (B), (D), and (E))		0.		280,295.	48,286.
<b>105</b> Total (add line 104, columns (B), (D), and (E))					328,581.

**Note:** Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See page 34 of the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
▼	SEE STATEMENT 9

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See page 34 of the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See page 34 of the instructions.)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

**Note:** If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

completing schedules and statements, and to the best of my knowledge and belief, it is true, information of which preparer has any knowledge.

11/6/05 **A-Sims Garrison**  
 Date Type or print name and title.  
 Date  Check if self-  Preparer's SSN or PTIN

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Organization Exempt Under Section 501(c)(3)**

(Except Private Foundation) and Section 501(e), 501(f), 501(k),  
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

**Supplementary Information-(See separate instructions.)**

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No 1545-0047

**2004**

Name of the organization **RONALD MCDONALD HOUSE CHARITIES OF ALABAMA, INC.** Employer identification number **63 0753358**

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
<b>NONE</b>				
Total number of other employees paid over \$50,000	▶ 0			

**Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
<b>NONE</b>		
Total number of others receiving over \$50,000 for professional services	▶ 0	

**RONALD MCDONALD HOUSE CHARITIES OF**

**Part III** **Statements About Activities** (See page 2 of the instructions.)

	Yes	No
<b>1</b> During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.	1	<b>X</b>
<b>2</b> During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
<b>a</b> Sale, exchange, or leasing of property?	2a	<b>X</b>
<b>b</b> Lending of money or other extension of credit?	2b	<b>X</b>
<b>c</b> Furnishing of goods, services, or facilities?	2c	<b>X</b>
<b>d</b> Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	<b>X</b>
<b>e</b> Transfer of any part of its income or assets?	2e	<b>X</b>
<b>3 a</b> Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)	3a	<b>X</b>
<b>b</b> Do you have a section 403(b) annuity plan for your employees?	3b	<b>X</b>
<b>4 a</b> Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?	4a	<b>X</b>
<b>b</b> Do you provide credit counseling, debt management, credit repair, or debt negotiation services?	4b	<b>X</b>

**Part IV** **Reason for Non-Private Foundation Status** (See pages 3 through 6 of the instructions.)

The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5  A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6  A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7  A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8  A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9  A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ► \_\_\_\_\_
- 10  An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a  An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b  A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12  An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13  An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See page 5 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14  An organization organized and operated to test for public safety. Section 509(a)(4). (See page 5 of the instructions.)

RONALD MCDONALD HOUSE CHARITIES OF

Schedule A (Form 990 or 990-EZ) 2004 **ALABAMA, INC.**

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**Part IV-A** Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting.  
 Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	582,264.	189,167.	171,834.	174,181.	1,117,446.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	48,675.	32,713.	35,627.	37,667.	154,682.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	41,061.	52,628.	66,243.	65,829.	225,761.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	672,000.	274,508.	273,704.	277,677.	1,497,889.
24 Line 23 minus line 17	623,325.	241,795.	238,077.	240,010.	1,343,207.
25 Enter 1% of line 23	6,720.	2,745.	2,737.	2,777.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 26,864.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2000 through 2003 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 103,442.
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 1,343,207.
d Add: Amounts from column (e) for lines: 18 225,761. 19 22 26b 103,442.					26d 329,203.
e Public support (line 26c minus line 26d total)					26e 1,014,004.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 75.4913%
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: N/A	(2003)	(2002)	(2001)	(2000)	
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: N/A	(2003)	(2002)	(2001)	(2000)	
c Add: Amounts from column (e) for lines: 15 16 17 20 21					27c N/A
d Add: Line 27a total and line 27b total					27d N/A
e Public support (line 27c total minus line 27d total)					27e N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					27f N/A
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h N/A %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2000 through 2003, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

**RONALD MCDONALD HOUSE CHARITIES OF**

**Part V Private School Questionnaire** (See page 7 of the instructions.)

N/A

**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

		Yes	No
<b>29</b>	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
<b>30</b>	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
<b>31</b>	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
<hr/> <hr/> <hr/>			
<b>32</b>	Does the organization maintain the following:		
<b>a</b>	Records indicating the racial composition of the student body, faculty, and administrative staff?		
<b>b</b>	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
<b>c</b>	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
<b>d</b>	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
<hr/> <hr/> <hr/>			
<b>33</b>	Does the organization discriminate by race in any way with respect to:		
<b>a</b>	Students' rights or privileges?		
<b>b</b>	Admissions policies?		
<b>c</b>	Employment of faculty or administrative staff?		
<b>d</b>	Scholarships or other financial assistance?		
<b>e</b>	Educational policies?		
<b>f</b>	Use of facilities?		
<b>g</b>	Athletic programs?		
<b>h</b>	Other extracurricular activities? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
<hr/> <hr/> <hr/>			
<b>34 a</b>	Does the organization receive any financial aid or assistance from a governmental agency?		
<b>b</b>	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		
<hr/> <hr/> <hr/>			
<b>35</b>	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation		





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**FORM 990**                      **GAIN (LOSS) FROM SALE OF OTHER ASSETS**                      **STATEMENT**      **1**


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DESCRIPTION	DATE	DATE	METHOD		
	ACQUIRED	SOLD	ACQUIRED		
CAPITAL GAIN DIVIDENDS	VARIOUS	VARIOUS	PURCHASED		
NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
	9,014.	0.	0.	0.	9,014.
TO FM 990, PART I, LN 8	9,014.	0.	0.	0.	9,014.

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**FORM 990**                      **SPECIAL EVENTS AND ACTIVITIES**                      **STATEMENT**      **2**


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DESCRIPTION OF EVENT	GROSS RECEIPTS	CONTRIBUT. INCLUDED	GROSS REVENUE	DIRECT EXPENSES	NET INCOME
FOUNDERS AWARDS DINNER	179,980.		179,980.	36,545.	143,435.
GOLF TOURNEY	83,074.		83,074.	16,478.	66,596.
YLB EVENT	5,240.		5,240.	789.	4,451.
RED NOSE RUN	5,660.		5,660.	110.	5,550.
WFS FINANCIAL GOLF INCOME	2,830.		2,830.		2,830.
TO FM 990, PART I, LINE 9	276,784.		276,784.	53,922.	222,862.

FORM 990 PAYMENTS TO AFFILIATES STATEMENT 3

AFFILIATE'S NAME	AFFILIATE'S ADDRESS	AMOUNT
RONALD MCDONALD HOUSE CHARITIES - NATIONAL	ONE KROC DRIVE, OAKBROOK, IL 60523	
PURPOSE OF PAYMENT		AMOUNT
REMITTANCE TO AFFILIATE BASED ON 25% OF CANISTER DONATIONS		11,499.
TOTAL TO FORM 990, PART I, LINE 16		11,499.

FORM 990 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 4

DESCRIPTION	AMOUNT
NET UNREALIZED GAIN ON INVESTMENTS	79,510.
TOTAL TO FORM 990, PART I, LINE 20	79,510.

FORM 990 OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
DUES & SUBSCRIPTIONS	732.		366.	366.
INSURANCE	29,385.	22,834.	3,313.	3,238.
MAINTENANCE, GROUNDS	360.	350.	5.	5.
MAINTENANCE, BUILDING	7,138.	6,932.	103.	103.
MISCELLANEOUS EXPENSES	252.	147.	35.	70.
PAYROLL SERVICE	1,678.	1,270.	222.	186.
PEST CONTROL	320.	310.	5.	5.
WASHER & DRYER SERVICE	2,270.	2,270.		
INVESTMENT EXPENSES	14,177.		7,089.	7,088.
TRAINING & DEVELOPMENT	751.	349.	206.	196.
DONOR, VOLUNT, & STAFF RECOGNITION	3,346.	2,676.	335.	335.
MAINTENANCE, EQUIPMENT	4,545.	3,637.	454.	454.

RONALD MCDONALD HOUSE CHARITIES OF ALABA

63-0753358

JANITORIAL SERVICES	38,998.	37,874.	562.	562.
PERSONNEL				
RECRUITMENT	581.	581.		
BANK SERVICE CHARGES	954.		477.	477.
BOARD & COMMITTEE				
MEETING EXPENSE	427.		214.	213.
FUNDRAISING EXPENSES	1,145.			1,145.
OUTREACH EXPENSE	201.			201.
CONSULTING FEES	1,131.	453.	339.	339.
SECURITY EXPENSE	1,423.	1,162.	250.	11.
TOTAL TO FM 990, LN 43	109,814.	80,845.	13,975.	14,994.

FORM 990 OTHER INVESTMENTS STATEMENT 6

DESCRIPTION	VALUATION METHOD	AMOUNT
ENDOWMENT FUND - UNRESTRICTED	MARKET VALUE	967,717.
ENDOWMENT FUND - PERMANENTLY RESTRICTED	MARKET VALUE	531,400.
TOTAL TO FORM 990, PART IV, LINE 56, COLUMN B		1,499,117.

FORM 990 OTHER ASSETS STATEMENT 7

DESCRIPTION	AMOUNT
BENEFICIAL INTEREST IN REMAINDER TRUST	0.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B	0.



RONALD MCDONALD HOUSE CHARITIES OF ALABA

63-0753358

SUZAN DOIDGE 3533 ROCKHILL ROAD BIRMINGHAM, AL 35233	BOARD MEMBER 2	0.	0.	0.
LORI EWOLDSSEN 1600 7TH AVENUE SOUTH BIRMINGHAM, AL 35233	BOARD MEMBER 2	0.	0.	0.
WENDY FILLER 2904 CAHABA BROOK LANE BIRMINGHAM, AL 35243	BOARD MEMBER 2	0.	0.	0.
SUSAN FITZGIBBON 2100 16TH AVENUE SOUTH BIRMINGHAM, AL 35205	BOARD MEMBER 2	0.	0.	0.
DR. WALDEMAR CARLO 620 20TH STREET SOUTH BIRMINGHAM, AL 35233	BOARD MEMBER 2	0.	0.	0.
CHIP GARDNER P.O. BOX 130579 BIRMINGHAM, AL 35213	BOARD MEMBER 2	0.	0.	0.
RICK HANNA 204 SOUTH TEMPLE AVE FAYETTE, AL 35555	BOARD MEMBER 2	0.	0.	0.
ELEANOR BARNES 1600 7TH AVENUE SOUTH BIRMINGHAM, AL 35233	BOARD MEMBER 2	0.	0.	0.
CYNTHIA BARGINERE 619 19TH STREET SOUTH BIRMINGHAM, AL 35294	BOARD MEMBER 2	0.	0.	0.
DR. PAMELA BURKS MT 419, ZIP 4410 BIRMINGHAM, AL 35294	BOARD MEMBER 2	0.	0.	0.
SUSAN BROUILLETTE 4752 HIGHWAY 280 EAST BIRMINGHAM, AL 35242	BOARD MEMBER 2	0.	0.	0.
MAYO FLYNT 3196 HIGHWAY 280 SOUTH, STE. 302 N BIRMINGHAM, AL 35243	BOARD MEMBER 2	0.	0.	0.
LEISHA HARRIS 800 MONTCLAIR ROAD BIRMINGHAM, AL 35213	BOARD MEMBER 2	0.	0.	0.

RONALD MCDONALD HOUSE CHARITIES OF ALABA

63-0753358

DANITA JOYNER P.O. DRAWER 318237 BIRMINGHAM, AL 35238	BOARD MEMBER 2	0.	0.	0.
ALAN LOTT 1900 FIFTH AVENUE NORTH BIRMINGHAM, AL 35203	BOARD MEMBER 2	0.	0.	0.
JACKIE MARTINEK 2010 BROOKWOOD MEDICAL CENTER DRIVE BIRMINGHAM, AL 35209	BOARD MEMBER 2	0.	0.	0.
J. BURTON MCDONALD P.O. BOX 10247 BIRMINGHAM, AL 35202	BOARD MEMBER 2	0.	0.	0.
LOUISE MCPHILLIPS 3715 OLD LEEDS ROAD BIRMINGHAM, AL 35213	BOARD MEMBER 2	0.	0.	0.
SAMUEL E. SCRUGGS, JR. 105 VULCAN ROAD, 2ND FLOOR BIRMINGHAM, AL 35209	BOARD MEMBER 2	0.	0.	0.
TRICIA TAYLOR 431 OFFICE PARK DRIVE BIRMINGHAM, AL 35205	BOARD MEMBER 2	0.	0.	0.
ROBERT WASON IV P.O. BOX 385014 BIRMINGHAM, AL 35238	BOARD MEMBER 2	0.	0.	0.
BEN WEIL 325 FIRST AVENUE NORTH BIRMINGHAM, AL 35204	BOARD MEMBER 2	0.	0.	0.
MARIANNE SHARBEL #3 OFFICE PARK CIRCLE, SUITE 116 BIRMINGHAM, AL 35223	HONORARY BOARD MEMBER 2	0.	0.	0.
TOTALS INCLUDED ON FORM 990, PART V		<u>71,400.</u>	<u>0.</u>	<u>0.</u>

FORM 990

PART VIII - RELATIONSHIP OF ACTIVITIES TO  
ACCOMPLISHMENT OF EXEMPT PURPOSES

STATEMENT 9

LINE	EXPLANATION OF RELATIONSHIP OF ACTIVITIES
93A	THE ORGANIZATION PROVIDES A "HOME AWAY FROM HOME" FOR FAMILIES OF SERIOUSLY ILL CHILDREN WHO TRAVEL TO BIRMINGHAM FOR MEDICAL TREATMENT OF A SICK CHILD. THOSE FAMILIES WHO ARE FINANCIALLY ABLE ARE ASKED TO PAY A NOMINAL ROOM RENTAL FEE FOR EACH NIGHT STAY AT THE HOUSE.
103A	SOFT DRINK MACHINES ARE THERE PRIMARILY FOR THE CONVENIENCE OF THE HOUSE GUESTS AND ARE NOT USED AS A MONEY-MAKING VENTURE.
103B	WASHERS & DRYERS ARE THERE PRIMARILY FOR THE CONVENIENCE OF THE HOUSE GUESTS AND ARE NOT USED AS A MONEY-MAKING VENTURE.

PART III – STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

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**What is the organization's primary exempt purpose?** *The primary mission of Ronald McDonald House Charities of Alabama (RMHCA) is to provide a safe, affordable, supportive "home-away-from-home" for sick children and/or their families when they travel to Birmingham for medical care.*

Alabama has one of the nation's highest infant mortality rates and one of the highest child death rates. In addition, Alabama has a poor, largely rural population and a centralized (in Birmingham) system of pediatric care. Therefore, Birmingham's health facilities serve a large number of children who travel significant distances to receive care. Many of these families arrive in Birmingham struggling not only with the emotional stress of caring for a seriously ill child, but also struggling with the financial stress of a child's illness.

In 2004, for a charge of just **\$4-8 per family per night** (less if family circumstances warrant), 1249 Ronald McDonald House Charities of Alabama guest families received services that cost more than \$50 per night to provide. Families frequently tell us that were it not for the Ronald McDonald House, they would be sleeping in their cars, hospital lobbies, or worse yet, separated from their sick child.

In addition to providing affordable lodging, RMHCA has from time to time made grants and contributions to qualified charitable, scientific or educational organizations and programs that to benefit children. After 2003, however, RMHCA's Board agreed to suspend its community grant program pending development and completion of a new Ronald McDonald House, replacing its current 80 and 50 year old facilities. The Organization also may undertake other activities that are consistent with applicable laws, the Organization's bylaws and within the terms of its Licensee Agreement with Ronald McDonald House Charities.

**Describe exempt purpose achievements:**

**Ronald McDonald House Charities of Alabama Programs**

**Ronald McDonald House**

As of year-end, the Ronald McDonald House in Birmingham had provided more than 25,000 guest stays for families of seriously ill or injured children, including 1,249 family stays in 2004.

- Guests come from all over Alabama, from throughout the U.S. and even from Europe and South America. Current guidelines call for guests to:
  - Live outside of Jefferson County.
  - Have a child (under 18 years of age) who is receiving inpatient care, or intensive outpatient services, at any Birmingham medical facility.
- The Birmingham House provides lodging, cooking, recreational, laundry and internet facilities, frequent dinners donated by individuals, businesses and community groups, emotional support from other families facing similar challenges and assistance transportation.

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**PART III – STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS (continued)**

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Although originally dedicated to housing the families of cancer patients hospitalized at Children's Hospital, today the Birmingham House *welcomes families of sick or injured infants and children regardless of diagnosis and regardless of medical provider.*

- In 2004, 1,249 families stayed at the Birmingham Ronald McDonald House, for an estimated total of 3,000 individual guests.
- 57% of RMHC guest families have income less than \$20,000 per year; 83% have family incomes under \$40,000.
- Approximately 47% of guests reported that their child was a member of a minority racial or ethnic group.
- In 2004, approximately 391 pediatric patients stayed at the House during outpatient treatment or while recovering from an inpatient stay.
- The average length of stay was just under 7 days. However, families staying more than three weeks consume more than 50% of the available nights of service. The longest stay family in 2004 spent 161 continuous nights at the House.
- More than 90% of families who stayed at the Ronald McDonald House in 2004 told us that the availability of the House was important to their decision to bring their child to Birmingham for care.
- Only 31% of these families would have been able to stay at a hotel/motel if the House had not been available.

The Ronald McDonald House helps make *access to care easier, more affordable and more compassionate.*

**Geographic Region Served:** In 2004, guest families came from 66 Alabama counties, 7 other states and 2 foreign countries.

### **Key 2004 Results**

#### **Guest/Provider Services**

- Almost 1,249 guest stays were provided.
- Guest and referral source satisfaction surveys indicated ongoing improvements in already high levels of satisfaction, but also provided several actionable suggestions to RMHCA to event better serve its constituencies.
- 90% of guests completing the exit survey in 2004 rated the "overall quality of their stay" as "excellent."

#### **Resource Development/Finances**

- Despite increased prices for utilities, insurance and other key items, RMHCA held 2004 expenses at 2003 levels while simultaneously improving client satisfaction.
- RMHCA continued to generate significant financial surpluses that are being directed toward a critically needed replacement for its 80-year old and 50-year old facilities.
- Also, prior to initiating a formal capital campaign, RMHCA passed the \$1 million mark in pledges toward its facilities replacement project.

#### **Awareness**

RMHCA was featured in nearly 100 print, radio and TV stories in 2004, creating greater awareness of its programs and services.

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PART III – STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS (continued)

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**Governance**

- The RMHCA Board implemented a new governance structure, which had been approved in 2003, providing greater continuity of Board leadership over time.
- The Young Leadership Board (YLB) continued to be an active source of volunteers as well as actively developing fundraising and awareness programs for RMHCA.

**Facilities**

The year 2004 witnessed enormous progress toward the objective of opening, by year-end 2006, a replacement facility for RMHCA's current aging, inefficient and undersized facility. Some of the "landmarks" included:

- Children's Health System's Board approved making a site on 4<sup>th</sup> Avenue South and 17<sup>th</sup> Street available to RMHCA, on a highly preferential land-lease basis.
- RMHC Global (Oak Brook, IL) approved the project for up to 68 guest rooms (40 are currently planned with options for later expansion).
- The current RMHCA property was appraised and listed with a commercial real estate broker.
- William Blackstock Architects was selected to design the new facility.
- The groundwork was laid for a capital campaign to fund the new facility. More than \$1 million in lead gifts were pledged or received in 2004, prior to officially launching the campaign.
- A commitment for interim, construction financing was secured, to bridge the potential gap between receipt of capital campaign proceeds and construction funding requirements.

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FORM 990 - Part IV, Line 57: Land, Buildings and Equipment

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	<u>Basis</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>
Buildings & Improvements	\$ 1,503,373	\$ 772,875	\$ 730,498
Furniture & Fixtures	178,051	165,407	12,644
Equipment	56,848	49,668	7,180
Computer Software	<u>2,323</u>	<u>1,663</u>	<u>660</u>
Total to Form 990, Part IV, Line 57	<u>\$ 1,740,595</u>	<u>\$ 989,613</u>	<u>\$ 750,982</u>

Note: Depreciation is provided principally by MACRS and the straight-line method over the estimated useful lives of the related assets

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**FORM 990 - Part IV: NET ASSETS**

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	<u>12/31/2003</u>	<u>12/31/2004</u>
Unrestricted net assets:		
Operating	\$ 842,742	\$ 666,277
Board designated for endowment, capital expenditures and replacement reserve	650,000	650,000
Board designated for Facilities Redevelopment	-	500,000
Land, building and equipment	<u>800,053</u>	<u>750,982</u>
Total unrestricted net assets (Line 67)	2,292,795	2,567,259
Temporarily restricted net assets (Line 68)	56,346	255,308
Permanently restricted net assets (Line 69)	<u>531,400</u>	<u>531,400</u>
Total net assets (Line 73)	<u>\$ 2,880,541</u>	<u>\$ 3,353,967</u>