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Red Cross Fires Its President, Citing Relationship

By [STEPHANIE STROM](#)

The [American Red Cross](#) dismissed its president and chief executive, [Mark W. Everson](#), yesterday, citing his “personal relationship with a subordinate employee.” He had been in office for only six months.

The news was another blow to an organization that has struggled to overcome criticism of its performance after [Hurricane Katrina](#) and other disasters, and it stunned the organization’s employees, as well as the nonprofit world at large.

“Although this is difficult and disappointing news for the Red Cross community, the organization remains strong and the life-saving mission of the American Red Cross will go forward,” Bonnie McElveen-Hunter, chairman of the Red Cross board, said in a statement.

Suzy C. DeFrancis, chief public affairs officer for the Red Cross, said information about the relationship between Mr. Everson and an employee was brought to the board’s attention about 10 days ago by a senior executive. The board confronted Mr. Everson with that information, and he acknowledged the relationship, Ms. DeFrancis said.

The board “concluded that the situation reflected poor judgment on Mr. Everson’s part and diminished his ability to lead the organization in the future,” the Red Cross statement said.

Ms. De Francis said there had been no threat of a lawsuit.

“The first feeling is that this is a huge punch in the stomach,” she said. “But this organization is strong and making progress and will get past this.”

The Red Cross has suffered from rapid turnover of leadership since [Elizabeth Dole](#), now a Republican senator from North Carolina, left the helm in 1999. Her replacement, Dr. [Bernadine Healy](#), resigned after less than two years, and it took more than a year to name her successor, Marsha J. Evans.

Ms. Evans resigned in 2005 after a power struggle with the board, and it took more than a year to find Mr. Everson, who was then commissioner of the [Internal Revenue Service](#). He was seen as a strong leader capable of dealing with the Red Cross’s huge bureaucracy, standing up to its powerful board and reassuring major donors.

Trent Stamp, president of Charity Navigator, a Web site that rates the efficiency of charities based on financial statements filed with the government, said the firing of Mr. Everson was a major setback. “This will affect fund-raising, organizational morale and public trust in this

organization, which is already dangerously low,” Mr. Stamp said.

He said the organization had appeared to be turning a corner under Mr. Everson, earning generally high marks for its performance during the recent California wildfires. “I’m worried that that good will be undone,” he said.

Organizations, whether for-profit or not, rarely describe their reasons for firing an executive as bluntly as the Red Cross did. In one case, the Boeing Company forced the resignation of two chief executives because of ethical lapses, including affairs with employees.

Mr. Everson, 53, did not respond to a message left on his cellphone. In a statement released by the Red Cross, he said, “I am resigning my position for personal and family reasons and deeply regret it is impossible for me to continue in a job so recently undertaken.”

His wife, Nanette, served in the White House counsel’s office as the chief ethics officer in the current Bush administration and, most recently, as general counsel at the [Commodity Futures Trading Commission](#), a position she left last spring to return to the private sector. They have two children.

Since he joined the Red Cross at the end of May, Mr. Everson had traveled around the country, visiting chapters and blood services operations and courting donors. He set ambitious fund-raising targets and, in a conversation about eight weeks ago, said he was concerned about declining donations.

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