



**Request for Proposals  
October 11, 2018**

**Proposed “Valley Wellness Foundation” in Imperial County**

**Responses Due:  
Tuesday, December 4, 2018 at 12:00 noon PST**

**Background**

Imperial County is a region rich with vast natural resources, beauty, abundant farmland, successful businesses, responsive public agencies, and a diverse, hardworking population. Like other rural counties in California, Imperial also has challenges: high unemployment, poor air and water quality, and significant disparities in health. Community residents and leaders of the county’s health, education, business, nonprofit, and government sectors have a long history of working together to promote prosperity and address challenges.

Improving quality of life is complex and depends largely on conditions at the local level. Dozens of effective community-based organizations located throughout Imperial County work every day to help individuals and families thrive and succeed. These organizations benefit in part from strong local philanthropic resources, including (among others) the Imperial Valley Community Foundation, First 5 Imperial, United Way, Imperial Irrigation District, and the Local Health Authority Commission.

**Opportunity**

The Alliance Healthcare Foundation (AHF) hopes to add to these local resources by helping establish a new community asset: the Valley Wellness Foundation (“VWF”).<sup>1</sup> The VWF will be a private non-operating foundation based in Imperial County and focused entirely on advancing health and wellness in the county. It will be independent and will be governed by its own board of trustees, who themselves will come from Imperial County and will have full control and decision-making authority.

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<sup>1</sup> “Valley Wellness Foundation” is a temporary project title. We expect that Imperial County residents and civic leaders will select a different name for the foundation that is more meaningful to the community.

We propose that the VWF start with an endowment of \$25 million,<sup>2</sup> of which AHF will provide \$7.5 million in the form of a matching grant (see conditions below for details). A beginning endowment of \$25 million, prudently invested, should realize sufficient investment revenue to employ 1-2 professional staff at the new foundation and make grants to local charities for many years to come. (By law, private non-operating foundations must distribute five percent of the value of their net investment assets annually in the form of grants or eligible administrative expenses, with certain exceptions.)

There are many benefits to having a private foundation in the region. Unlike community foundations and operating foundations, which generally must regularly raise money to give out grants, an endowed private foundation doesn't have to engage in annual fundraising. It can do and be exactly what the community wants. Private foundations have the freedom to pursue their own vision – even if what it wants to achieve is considered unconventional by others. This means that it can support innovation and high-risk/high-reward endeavors in areas that traditional funders might shy away from.

Innovation and risk taking have been central to AHF's philanthropy since our founding. Using a hands-on, partnership-oriented approach, we make strategic investments in advocacy, education, communications, and leadership – often stepping in to support promising ideas and projects that others consider too challenging or unpopular. We believe communities benefit from having a combination of strong traditional funders *and* flexible independent funders like private foundations.

We're proud to have supported many of Imperial County's dynamic nonprofits over the years. But we also realize that, as a San Diego-based foundation, we're outsiders. We think the time has come for Imperial County to have its own private health foundation, completely independent from us and with an expanded pool of resources to do even more to advance health and wellness for families and communities in the valley.

### **Conditions for the \$7.5 Million Matching Grant**

Like the Valley Wellness Foundation we're proposing, AHF is an independent, private, non-operating foundation. We envision a San Diego and Imperial County region where equitable health resources lead to universal health and well-being.

To help establish the new foundation, we have reserved \$7.5 million until June 30, 2020 in the form of a potential matching grant, with the following conditions.

In accordance with our articles of incorporation, at the time of the AHF challenge grant:

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<sup>2</sup> A private foundation's assets are called an endowment, which is invested to generate income for the foundation. The endowment is used to fund its operations and make grants.

1. the grantee must be a new or existing 501(c)(3) nonprofit entity organized and operated under and in full compliance with California and federal laws and regulations;
2. the VWF must have a minimum of \$17.5 million from other sources (prior to receiving \$7.5 million in AHF funding), to create a new private foundation with at least \$25 million;
3. the VWF must be domiciled in Imperial County;
4. the VWF must have a mission dedicated exclusively to improving the health and wellness of vulnerable populations in Imperial County; and
5. the mission of the VWF must be irrevocable.

### **Request for Proposals**

Imperial County's civic leaders are committed to creating better, healthier places to live for all residents. So are we. We're releasing this Request for Proposals (RFP) to identify a lead local entity (or, preferably, a coalition of individuals and entities) willing to embark on an 18-month collaborative process to raise the necessary endowment funds and create the organizational and governance structures for the VWF.

Through this RFP, AHF is prepared to invest up to \$175,000 in a single grant to support the planning, organizing, and fund development efforts for the new foundation. We expect to award the planning grant in December 2018, which will allow a full 18 months for organizing, convening, and fundraising (with technical assistance and support from AHF throughout).

## **Where will the \$17.5 million come from?**

We anticipate a range of sources, including: regional and national foundations focused on rural issues, community health, and environmental justice; and state bond measures and other dedicated public revenue streams; individuals and families; businesses, utilities, and corporations; donor-advised funds at community foundations and investment firms like Vanguard, Schwab, and Fidelity.

We recognize that raising \$17.5 million might seem a daunting task. It *is* a lot of money. But you will not be in this alone: AHF will leverage our brand and additional resources to directly and indirectly support fundraising and other essential aspects of establishing the new health foundation. We believe

the idea of the VWF will resonate with funders and donors in California and across the United States, many of whom are unaware of the strategic importance of Imperial County to our nation's food supply and renewable energy goals. We believe they will be drawn to the compelling health needs of the county as well as the strength of existing local leadership to address those needs.

### **General Proposal Guidelines**

To be successful, establishment of the Valley Wellness Foundation will require a dedicated local convener in Imperial County and the assistance of local and outside consultants, particularly those with expertise in the areas of fundraising/fund development and foundation law and administration. Importantly, this effort also will require careful attention to ensuring that all community voices are heard throughout the process. We therefore welcome proposals from entities, coalitions, or civic groups that will use a collaborative, team-oriented, inclusive approach. We believe that progress and good ideas are as likely to come from community residents as they are from experienced professionals.

Types of expected grant activities (i.e., allowable grant expenses through the RFP) include but are not limited to staff and consultant time on:

- planning;
- meeting facilitation;
- governance planning;
- travel;
- event meals;
- strategic communications;
- social media;
- community surveys;
- marketing;
- website development;
- grant writing;
- grant solicitation;
- donor development;
- business registration and filing fees;
- drafting of auditing, investing, and conflict of interest policies;
- drafting of proposed grant-making guidelines; and
- legal counsel to write bylaws and articles of incorporation.

**Any Imperial County-based entity or coalition is eligible to respond to this RFP; it is not limited to those who may have submitted letters through AHF's earlier Request for Interest (RFI).**

Priority consideration will be given to applicants that:

- are culturally competent and committed to broad community inclusion;
- propose a thoughtful, iterative, and detailed process for steadily working toward and ultimately establishing the new health foundation;
- have a strong record of successful collaboration across different sectors;
- can leverage the experience of multiple partners; and
- demonstrate the capacity to effectively and cost-efficiently manage a team of staff, volunteers, and consultants.

Grant applicants must be exempt under Section 501(c)(3) of the Internal Revenue Code or have a qualified tax-exempt fiscal sponsor that is in good standing with the IRS.

## Proposal Instructions

**NOTE:** For the purpose of this RFP, the term “Imperial County” does not narrowly refer to county government but, instead, to anyone and everyone with an interest and stake in improving health and wellness in the county, e.g., community residents, business executives, elected officials, nonprofit leaders and staff, county agency leaders and staff, advocates, regional and national funders, et al.

When submitting a proposal, respondents are asked to affirm that they have read and understand the “Expected End-of-Grant Deliverables” list below. Proposal narratives should then address the following:

- Describe your organization, coalition, or group and the specific leaders in Imperial County who have signed on (or whom you hope to engage) directly in the effort to establish the \$25 million Valley Wellness Foundation.
- Provide the names of consultants you plan to use.
- Identify any technical assistance or project-related resource needs you anticipate, including any recommendations or needs you believe AHF can help with.
- Describe the collaborative process you will use to facilitate community-wide discussion to lift up ideas and finalize options for the VWF’s name, structure, governance, and fundraising.
- If you plan to use a community advisory board to guide the start-up and to oversee the process, describe each member’s background and note how often you will convene the group. If specific individuals have not been identified yet, provide a list of the types of people you plan to recruit (ensuring there is diversity in geography, language, gender, race/ethnicity, income level, and age).
- Provide your preliminary ideas for what an enduring structure and governance arrangement might look like for the new foundation, including options for handling its back-office functions (e.g., investing, accounting, human resources, information technology).
- Provide a preliminary schedule and process timeline for implementation.

## Expected End-of-Grant Deliverables

By the end of the grant period, we expect the organization selected through this RFP to provide AHF with:

- list of received, committed, and anticipated endowment donations/contributions for the new foundation, including names and dates;
- the new name for the Valley Wellness Foundation;
- foundation mission statement;
- employer identification number (EIN);
- IRS determination letter;
- 3-year budget, as submitted to the IRS with the application for tax-exempt status; and
- final set of bylaws, including provisions for the foundation's governance and inception board and future board member selection process, general decision making, required meetings, and auditing, investing, and conflict-of-interest policies.

## How to Apply

Please submit responses to this RFP by the **December 4, 2018 12:00 noon PST** deadline via [info@alliancehf.org](mailto:info@alliancehf.org). It is not necessary to send hard copies of your submission. You will receive an email confirmation upon AHF receipt of your proposal package.

Please upload the following documents along with your proposal narrative:

- List of people who will drive project success (staff, board members, volunteers, and consultants) and their roles and qualifications;
- Project budget;
- Current organizational income statement and balance sheet (last 2 years), or the appropriate documents from your fiscal sponsor; and
- Most recent audit or 990, or the appropriate documents from your fiscal sponsor.

## Timeline

1. Release of Request for Proposals on October 11, 2018.
2. First in-person RFP technical assistance workshop for interested parties and potential respondents on **Thursday, October 18 at 11:00am** at Catholic Charities, 250 W. Orange Avenue, El Centro, CA 92243. Refer [here](#) for additional workshops. *Alliance Healthcare Foundation representatives will be on hand to go through the RFP page by page and to answer all questions.*
3. Proposals (including all attachments) due to AHF via [info@alliancehf.org](mailto:info@alliancehf.org) no later than **Tuesday, December 4, 2018 at 12:00 noon PST**.

Please direct questions about this RFP to Gregory Hall, senior consultant, at [greg.principia@gmail.com](mailto:greg.principia@gmail.com).

**Limitations**

The information contained in this Request for Proposals is intended for information purposes only to assist interested parties in assessing whether or not to respond to the request. AHF strongly encourages interested responders to attend the technical assistance workshops that will be offered in El Centro in October and November.

AHF reserves the right to amend the scope of this RFP, to carry out discussions with one or more prospective respondents, and to proceed as it determines in its sole discretion, such as to discontinue this RFP or to proceed at a later time. There is no legal obligation committing AHF to moving forward with the Valley Wellness Foundation in the event that the AHF board of trustees determines in its best judgment that the idea is not practicable.

Prospective respondents are advised that AHF grant funds may be used only for charitable purposes. AHF does not fund efforts to influence legislation, to intervene in political elections or campaigns, to promote propaganda, or to conduct voter registration drives.

**About Alliance Healthcare Foundation**

In 1982, the San Diego Community Healthcare Alliance (Alliance) created the first Preferred Provider Organization/Network (PPO) in the United States. From 1989 through 1994, the Alliance funded Alliance Healthcare Foundation (AHF) through profits from its Community Care Network (CCN) operations. In 1994, Alliance sold CCN to a national healthcare company and channeled the proceeds from CCN's sale into an endowment of \$83 million for AHF. That endowment has enabled us to fund approximately \$50 million in grants in San Diego and Imperial Counties. Our endowment holds approximately \$80 million in assets today, with the majority of funding for programs and operations derived from endowment investment earnings.

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