



# County of Monterey

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

## Board Report

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**File #:** A 13-281, **Version:** 1

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Authorize the Purchasing Manager of Natividad Medical Center (NMC) to execute Amendment No. 7 to the Agreement (A-11102) with the Natividad Medical Foundation (NMF) for philanthropic services, defined as “capital campaign planning and fundraising; community outreach in connection with fundraising; preparing and submitting foundation grant applications; administering current/future foundation grants; and supporting and coordinating NMC/NMF joint community relations” to philanthropically support the capital needs at NMC; adding \$1,096,032 (an increase of \$121,604 from the previous year) and extending the Agreement to December 31, 2014, for a revised total Agreement amount not to exceed \$6,208,858 in the aggregate.

### RECOMMENDATION:

It is recommended that the Board of Supervisors authorize the Purchasing Manager of Natividad Medical Center (NMC) to execute Amendment #7 to the Agreement (A-11102) with the Natividad Medical Foundation (NMF) for philanthropic services, defined as “capital campaign planning and fundraising; community outreach in connection with fundraising; preparing and submitting foundation grant applications; administering current/future foundation grants; and supporting and coordinating NMC/NMF joint community relations” to philanthropically support the capital needs at NMC; adding \$1,096,032 (an increase of \$121,604 from the previous year) and extending the Agreement to December 31, 2014, for a revised total Agreement amount not to exceed \$6,208,858 in the aggregate.

### SUMMARY:

Critical to Natividad Medical Foundation’s capacity to continue the development of relationships needed to support the hospital’s long-term success and to raise and secure philanthropic funds and government grants for Natividad Medical Center in support of its strategic vision is core operating support for NMF staff salaries, wages and benefits. Core operating support will allow NMF to retain highly skilled development professionals to plan for and begin a Capital Campaign; engage in community outreach; engage in prospect research; solicit local and national foundations and corporations; secure federal and state government grants; coordinate special events; and engage in NMC/NMF joint community relations.

From January - March 2014, NMF will conduct a one-time Capital Campaign Feasibility Study with fundraising counsel oversight. NMF’s intent is to begin Pre-Campaign Planning in April 2014 and launch the campaign’s “quiet phase” in July 2014. Anticipated campaign completion is projected by December 2016. Typically, capital campaign expenses equal 10% of the total multi-year capital campaign goal. NMF intends to test a capital campaign goal of \$10 million through the feasibility study.

Finally, in 2014, NMF will seek federal and state government grants as requested by NMC.

### DISCUSSION:

A total of \$652,057 is needed for Foundation core operating support for salaries and benefits. In addition, a total of \$143,975 is included, representing; \$35,000 for joint NMF/NMC community relations; \$6,000 for the Sustainability Internship; \$92,475 for the Medical Director of Health Promotion and Education; and \$10,500 for a Peer Supporter for the NIDO Clinic to help retain clients in care.

For 2014, \$300,000 is needed for fundraising campaign counsel and related expenses to support pre-campaign planning and to launch the quiet phase of a 24-month campaign to support NMC's capital and facilities needs, including upgrades to diagnostic imaging equipment and the Emergency Department.

Philanthropic contributions to NMF increased by more than 540% from 2007 to 2012 with total 2012 Foundation revenue of \$1,006,654.

Gifts through NMF impact the lives of babies, children and families in our community every day. Recent accomplishments include the following:

The Agricultural Leadership Council (TALC) - formed by John D'Arrigo, President & CEO of D'Arrigo Bros. Co. of CA in 2010 - has donated more than \$915,000 to philanthropically support the health of farm workers and their families by purchasing medical equipment for many hospital departments, including the Emergency Department, Intensive Care Unit, Maternal and Infant Unit, Neonatal Intensive Care Unit (NICU) and Labor and Delivery Unit. TALC has also funded cross cultural initiatives at NMC. TALC was honored as Natividad's 2013 Hero Award recipient at the NMF Annual Meeting Celebration in February 2013. Established with 22 of the largest agricultural businesses - including Taylor Farms, Tanimura & Antle and Mann Packing - TALC has grown to 109 members.

NMF raised \$80,100 from the Pebble Beach Concours d'Elegance Opportunity Drawing.

In September 2013, Driscoll's, a TALC member, awarded a 2-year, \$75,000 grant to support the development of NMF's indigenous language interpreter services program to serve the more than 28,000 indigenous farm workers living in the Salinas Valley who speak languages such as Mixteco, Triqui and Zapoteco. The top 5 languages spoken at NMC are English or Spanish - depending on the day - followed by Mixteco (indigenous), Vietnamese and Triqui (indigenous).

Using grant funds, NMC has trained 201 medical interpreters, including 66 dual-role hospital staff and 66 indigenous language-interpreters.

Community Foundation for Monterey County donated \$12,000 to develop a business plan to sell NMF's indigenous language services and training products and provide English and business skills training for limited English proficient women indigenous interpreters.

Using \$80,000 in grants from the Community Foundation for Monterey County, NMF continues to carry out "Five Steps to Prevent Diabetes - Cinco Pasos Para Prevenir la Diabetes," a diabetes prevention education program developed by Dr. Dana Kent for low-income adults to increase consumption of fruits and vegetables, daily physical activity, and access to healthy foods in an effort to prevent diabetes.

Implementation of the findings of the parent education needs assessment completed in 2011 using an additional \$50,000 grant from The David & Lucille Packard Foundation to develop low literacy educational materials for new mothers.

To date in 2013, NMF received nearly \$27,000 for the hospital's NICU as a beneficiary of the New Year's Day Rio Resolution Run in Carmel - more than 1,200 runners participated, and 50 hospital employees volunteered.

In 2013, NMC received "Baby Friendly USA" certification from the World Health Organization, an achievement facilitated by a \$48,500 grant from the W.K. Kellogg Foundation - the first "First Food Initiative" grant in California. In January, NMF secured a \$25,500 from the California Department of Public Health's Obesity Prevention Program to continue the hospital's Breastfeeding is the Best Feeding project.

NMF used California Health Care Foundation and Hospice Foundation grant funds to help create NMC's first

Palliative Care Suite and support the hospital in launching its Palliative Care program. In October, NMF received a \$23,750 grant from Hospice Foundation to support palliative care training for new hospital staff and ongoing education for Palliative Care Team members.

The 2014 philanthropy goal is \$2,000,000, with an additional \$125,729 in state government grants awarded directly to the Foundation and \$80,000 in proceeds projected from the Pebble Beach Concours d'Elegance. NMF also expects to receive \$4,000 in investment income and \$10,500 in program service revenue. NMF's total projected 2014 revenue goal is \$2,220,229.

In addition to the 2014 revenue goal of \$2,220,229, NMF intends to prepare and submit federal grant applications on behalf of NMC with a 2014 NMC federal government grants goal of \$492,500, including \$292,500 for the Ryan White Part C non-competing continuation application and \$200,000 in grants yet to be identified by NMC.

These projections do not include revenue from the Capital Campaign. The standard cost of a \$10 million capital campaign is \$1 million. NMF will test a \$10 million goal through the feasibility study and anticipates beginning the 24-month public phase of a capital campaign in July 2014.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this Amendment as to legal form and risk provisions. The Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment has also been reviewed and approved by Natividad Medical Center's Board of Trustees. The CAO-Budget & Analysis Division cannot confirm the stated return on investment based on the data submitted.

**FINANCING:**

The cost for this Amendment is \$1,096,032 and is included in the Fiscal Year 2013/2014 Adopted Budget. Amounts for remaining years of this Agreement will be included in those budgets as appropriate. There is no impact to the General Fund.

Prepared by: Carol Adams, Assistant Administrator, 755-4175

Approved by: Harry Weis, Chief Executive Officer, 783-2553

**ATTACHMENTS:** Original Agreement, Amendments 1, 2, 3, 4, 5, 6 and 7, Actual NMC MOU Expense Breakdown, Actual Foundation Revenue Breakdown, NMC Actual Return on Investment, 2014 MOU Justification

Attachments on file with the Clerk to the Board's Office