

# Reflections

**On 20 Years of Grantmaking:  
Select Writings by Gary L. Yates**



The California Wellness Foundation

# Reflections

**Reflections** is a series produced by The California Wellness Foundation (TCWF) to share lessons learned and information gleaned from its grantmaking practices and strategies. This publication and others in the series are available on the Foundation's website, [CalWellness.org](http://CalWellness.org).

The photographs that appear throughout this piece document the diverse organizations funded by the Foundation and the communities they serve.

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## preface

It cannot be said that our Foundation president and CEO, Gary L. Yates, is a man of few words. To the contrary, Gary has proven himself a man of powerfully expressed words when it comes to promoting the mission of The California Wellness Foundation during its nearly 20 years of existence.

Since joining the Foundation in 1992 – the year it was founded – Gary has regularly and strategically communicated with myriad audiences: prospective, current and former grantees; the nonprofit and philanthropic sectors; public policy leaders, advocates and elected officials; multiethnic and general market news media; and other individuals and institutions that work to improve the health of Californians.

In so doing, he early on established a key tenet of the Foundation’s DNA: to practice a tradition of transparency, information-sharing and grantee story dissemination that the field of philanthropy often champions.

Gary’s approach to communications reflects the Foundation’s tradition of its Responsive Grantmaking Program, which looks to nonprofits to generate their ideas and their solutions for funding consideration. This emphasis can be found in Gary’s writings, which often point to the work of grantees, individuals and organizations that strive to improve Californians’ health.

In that spirit, the Foundation presents select writings gleaned from Gary’s nearly two decades of Foundation leadership. They include **President’s Messages** regularly posted on CalWellness.org; **Opinion Editorials** published in news media; **Foundation Reports** on grantmaking from our annual reports and *Reflections* series; **Public Speeches**; and a recent **Public Letter** detailing Gary’s reasons for retiring and next steps for leadership transition.

Some of the topics that Gary addressed include those in which the Foundation’s grantmaking has had a national impact, such as lessons learned in funding violence prevention and teen pregnancy prevention; other topics convey the Foundation’s strategic thinking behind its grantmaking, such as shifting from Foundation-driven, initiative-based funding in the first decade to a grantee-responsive approach in the last 10 years; and still other writings illuminate the strengthening impact of core operating, unrestricted funding on strained nonprofits attempting to survive and preserve the health care safety net during tough economic times.

These writings share several themes in common: they convey in clear and accessible language Gary’s vision for the Foundation as a service-focused organization committed in policy and practice to helping institutions become more successful in their work. These results have included communicating proactively to make access to the Foundation fair and equitable to all.

Finally, Gary’s keen analytical thinking, reflected in the following pages, also demonstrates why he has deservedly received recognition for helping to build the Foundation into a national leader in health philanthropy.

Sincerely,

Magdalena Beltrán-del Olmo  
Vice President of Communications

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# When The Time Is Right

July 2011

As many of you know, I've announced my intention to retire at the end of the year. One of the first questions I'm asked about my retirement is, "Why now?" There's a country song I like titled "Timing Is Everything." While it may not be "everything," timing is certainly important when considering a leadership change. The timing of this transition is right for The California Wellness Foundation, for me and for my family.

The Foundation has a strong, stable and committed Board of Directors with the history, experience and talent to oversee the successful implementation of its mission.

The Foundation has a talented, experienced staff that operates at a high level of excellence implementing the Foundation's programs and interacting with its constituents.

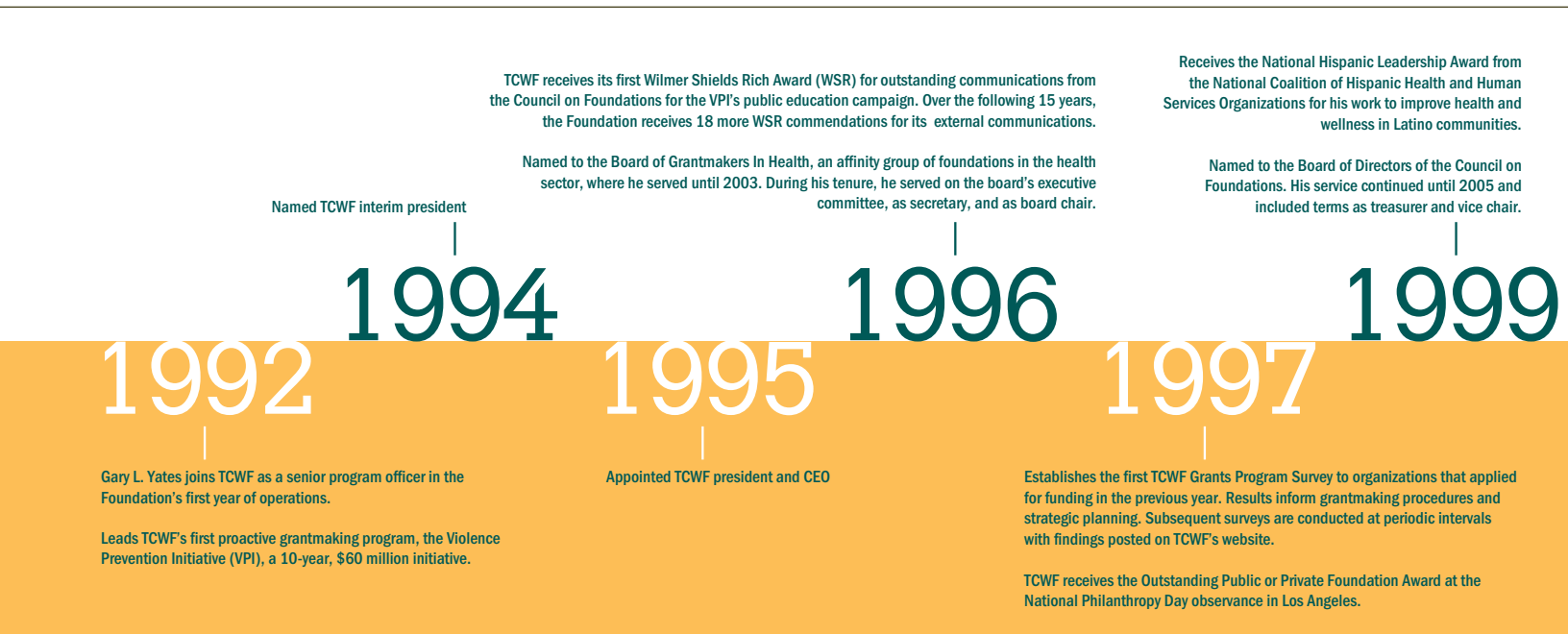
The Foundation has developed a strong, operational infrastructure in support of its key program goals, principles and strategies. All key systems, policies and procedures are in place and work effectively.

I have been with the Foundation for nearly 20 years since it began operations in 1992. I've had the privilege of being president and CEO since the spring of 1994. Over this period of time, I have served in leadership roles on numerous philanthropic boards, made dozens of presentations at conferences, and became a million-mile flyer with United Airlines.

I was 17 years old when I took my first full-time job as a laborer at a brick plant in Winchester, Virginia, and I've worked every year since. I'll turn 67 this year, so that makes 50 years by my count — half a century in the old math — and that's enough for me.

My wife Ann and I have five adult sons who are all fine young men. And with three grandchildren and another on the way, it's time for me to spend more quality time with them than my job as CEO allows.

Another question about my leaving the Foundation is, "What will happen to the current grantmaking program?" Good question. When change occurs in foundations' executive leadership, grantmaking programs can also change. However, TCWF's Board has authorized the Responsive Grantmaking Program to continue through 2014. This means the Foundation will continue its responsive approach to grantmaking — responding to unsolicited letters of interest while



Gary L. Yates joins TCWF as a senior program officer in the Foundation's first year of operations.

Leads TCWF's first proactive grantmaking program, the Violence Prevention Initiative (VPI), a 10-year, \$60 million initiative.

Appointed TCWF president and CEO

TCWF receives its first Wilmer Shields Rich Award (WSR) for outstanding communications from the Council on Foundations for the VPI's public education campaign. Over the following 15 years, the Foundation receives 18 more WSR commendations for its external communications.

Named to the Board of Grantmakers In Health, an affinity group of foundations in the health sector, where he served until 2003. During his tenure, he served on the board's executive committee, as secretary, and as board chair.

Receives the National Hispanic Leadership Award from the National Coalition of Hispanic Health and Human Services Organizations for his work to improve health and wellness in Latino communities.

Named to the Board of Directors of the Council on Foundations. His service continued until 2005 and included terms as treasurer and vice chair.

Establishes the first TCWF Grants Program Survey to organizations that applied for funding in the previous year. Results inform grantmaking procedures and strategic planning. Subsequent surveys are conducted at periodic intervals with findings posted on TCWF's website.

TCWF receives the Outstanding Public or Private Foundation Award at the National Philanthropy Day observance in Los Angeles.



*This letter was shared with all key Foundation audiences as part of communicating the transition in executive leadership.*

emphasizing the provision of general operating support to sustain and strengthen organizations working to improve the health of the people of California.

I am proud of the work of TCWF and its grantees over the last two decades. A few notable examples:

- We have seen significant improvements in each of the Foundation’s long-term commitments to preventing gun violence against youth, preventing teen pregnancy, and supporting the health care safety net.
- Our focus on the provision of general operating support over the last decade has helped many organizations weather two recessions and has resulted in stronger health and human service organizations in California.
- Our emphasis on the need to increase the health care workforce and its diversity has begun to show positive results in student populations pursuing health careers.

The Board has contracted with Morris & Berger, a Los Angeles-based executive search firm that focuses on the nonprofit sector, to conduct the search for the Foundation’s next president and CEO. I have every confidence that an outstanding individual will be selected to lead the Foundation in the future.

Lastly, I am also frequently asked, “What will you do after you retire?”

In 2012, as I enter retirement, I intend to rest, relax, decompress and spend more time with family and friends. Ann and I would like to see more of California and the rest of the nation — especially the national parks — while we still have the capacity to do so.

For a few years, as a way of keeping my institutional memory and experience available, I will continue my relationship with the Foundation as a senior advisor. I’ll be “on call” to the chair of the Board and/or the new president. I also hope to serve on a couple of foundation boards where I can add value.

It has been an honor and a privilege to have been able to support so many outstanding individuals and organizations for almost two decades. Thank you for the opportunity and for the great work you do on behalf of the people of California. 🙏





“What we fight for might be the surest indicator of our priorities, but how we rebuild, care for, and honor those who step into the breach is the most poignant illustration of our values.”

## Honoring Veterans through Philanthropy

May 2011

Each year in late May, America pauses to honor its veterans. We recognize the sacrifices of those President Lincoln observed “gave the last full measure of devotion” in service to their country as well as those who currently protect and defend our nation.

This Memorial Day, as we reflect on and appreciate those who serve, we should also take time to consider the ongoing, independent efforts across the country taken on behalf of veterans and their families. What we fight for might be the surest indicator of our priorities, but how we rebuild, care for, and honor those who step into the breach is the most poignant illustration of our values.

Zachary Fisher was unable to join the battlefield himself, so he built homes for those who did. In doing so, he gave comfort and shelter to thousands of families and opened a floodgate of philanthropy.

The story of Fisher House Foundation started 20 years ago when Pauline Trost stumbled onto a sailor sleeping in his vehicle while his wife recovered at Bethesda Naval Hospital. Trost, wife of the then-Chief of Naval Operations, began hunting for ways to address the lack of low-cost housing for military families visiting hospitalized soldiers. She soon approached Zach Fisher, a successful real estate developer and a fierce supporter of the armed forces. Fisher was stunned that military families were unable to afford nearby hotels. After meeting with Pauline, Zach made it his mission to construct apartments and homes for family members visiting hospitalized soldiers.

Zach Fisher passed away in 1999, but his legacy lives on. Today, the Fisher House serves 12,000 families a year all over the United States, providing “a home away from home” for military families, ensuring they can be close as their loved one receives treatment for an illness, disease or injury.

But Fisher was not unique in his decision to give to those who serve our country. Founded in 1994, the Tragedy Assistance Program for Survivors (TAPS) is another example of philanthropy dedicated to assisting members of the military and their families. TAPS is supported by charitable donations and provides an array of services to families, loved ones, friends, and anyone trying



*This Op-Ed originally appeared in the May 29, 2011, issue of the Washington Examiner. Yates, a veteran, serves as co-chair for Voices for Philanthropy.*

to be made whole again after the death of a soldier. The program has helped guide more than 30,000 family members, casualty officers and caregivers through the grieving process. TAPS promises assistance 24 hours a day, seven days a week, offering information, support, resources and understanding.

“Vets helping vets” is an approach practiced by the San Francisco-based Swords to Plowshares (Swords), which dedicates itself to helping Iraq and Afghanistan war veterans. Founded in 1974 by a group of Vietnam veterans and VISTA volunteers, the group provides vets with supportive housing, health and social services, employment and training, and benefits advocacy.

Swords helps with legal assistance to guide veterans in obtaining medical care and compensation for service-connected disabilities. Case managers also work to address mental health and substance abuse issues. More recently, it has enhanced its outreach among the increasing number of female veterans whose usage of health services is expected to double within 10 years.

Another organization helping military families focuses on the youngest members: children. The nonprofit United Through Reading seeks to help alleviate the stress of separation for military families (particularly parents serving in the armed forces, deployed to war zones many thousands of miles away from their children) by having deployed parents read books aloud to their children. A DVD of the parents reading is presented to the children, who can then watch it at home.

These are just a few examples of the individuals and organizations that are dedicated to aiding members of the military and their families. There are many more, and, together, they represent a small slice of American philanthropy. As a nation and as individuals, Americans are generous with their time, money and passion. We give to a variety of issues, causes and organizations: from arts and cultural institutions, to environmental organizations, to programs dedicated to addressing hunger, homelessness, disease and literacy. And there are countless other examples. In every town, community and city across the country, there are libraries, schools and museums built and maintained through philanthropy. There are individuals giving their time, talent and resources on behalf of issues that they care about.

Voices for Philanthropy is a campaign to tell the positive story of American philanthropy. The national, nonpartisan effort, of which I am co-chair, strives to bring together the charitable community and to build a broad and diverse coalition of champions from all aspects of society. When Memorial Day comes along this year people can and should honor our servicemen and women.

Because of philanthropic endeavors like Fisher House, TAPS, Swords to Plowshares and the United Through Reading program every single American can channel their gratitude into another critical layer of tradition that commemorates and honors military service. This generosity of spirit will help show why philanthropy matters; and its impact is felt by everyone, no matter who they are, where they work, or what they believe and is especially appreciated by those of us who are veterans and our families. 🙏



## A Prevention Success Story

March 2011

In 1992, when The California Wellness Foundation (TCWF) began developing a grantmaking program that would address teen pregnancy prevention, more than 70,000 California teens gave birth. It was cause for concern. For decades, California's teen pregnancy rates had ranked among the highest in the nation.

In 1994, TCWF's Board approved the Teen Pregnancy Prevention Initiative (TPPI) — a 10-year, \$60 million comprehensive grantmaking program dedicated to preventing teen pregnancy in California through policy development, community action and support programs, public education and research. The work that began with the TPPI continues today as a funding priority under the Foundation's Responsive Grantmaking Program. From 1995 to the present, TCWF has made 371 grants, totaling nearly \$101 million, related to teen pregnancy prevention.

Since then, births to teenage mothers have dropped, reaching a record low in 2009. The most recent data released from the California Department of Public Health show a decline of more than 50 percent since the early 1990s, which experts have attributed in large part to the state's substantial investment in teen pregnancy prevention education, programs and services that promote access to reproductive health care and contraception.

Had California continued to experience the same birthrate it did in the early 1990s — i.e., 71 births per 1,000 teens — the state would have had an additional 50,000 births in 2009. Each pregnancy averted saved more than \$14,000 in public sector funds in medical, welfare and other social service costs for a woman and child from conception to age five. California's prevention success represents a savings to society of \$4.5 billion annually.

Experts have also recognized that private foundations such as The California Wellness Foundation, the William and Flora Hewlett Foundation, and the David and Lucile Packard Foundation, have played important roles that contribute to California's teen pregnancy prevention success.

TCWF's commitment has been expressed by grants to fund innovative teen pregnancy prevention efforts, including the "peer-provider" or teen clinic model. Originally developed by Valley Community Clinic in North Hollywood, this model has consistently demonstrated its effectiveness at increasing

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*This President's Message was posted on CalWellness.org.*

the number of young people who access reproductive health services and use contraception. Key to its success is employing the skills of young people who work as peer providers at the clinic, which provides low- or no-cost family planning services, counseling and education. The increased use of contraception among sexually active teens is the single most frequently cited factor in contributing to California's decline in teenage pregnancy. This is testimony to the fact that when young people are provided with accurate information and have access to reproductive health care, they will make responsible decisions.

Another highly effective model at preventing pregnancy among sexually active young people is the Adolescent Family Life Program (AFLP). The AFLP is designed to enhance the health of pregnant and parenting teens and their children and to work to avoid repeat unplanned pregnancies. This secondary prevention program is centered on a case management approach and boasts an impressive success rate with only about three percent of AFLP participants having repeat unplanned pregnancies — far better than the national average of 18 percent. This program has been replicated in 36 counties throughout California.

While California's success in preventing teenage pregnancy is something we can all be proud of, it is not something to take for granted — especially when the state of California's \$25 billion deficit poses major challenges to state funding for prevention programs. At TCWF, we recognize these challenges and the heavy costs we will bear if teenage pregnancy rates should climb again. For this reason, we continue to provide grants for general operating support for programs like the peer-provider clinics and the Adolescent Family Life Program that have proven, time and again, their effectiveness at preventing unplanned pregnancies. The enormous need — and the substantial return on investment — is abundantly clear from California's experiences over the past two decades. 🙏



## A Report on Our Grantmaking

December 2010

Over the past several years, there has been substantial discussion in the philanthropic community about the amount of foundation funding reaching underserved and marginalized populations. Conversations with several of our colleagues led to the release of a statement in June 2008 in which we recognized the critical role played by small, community-based nonprofit organizations in addressing the challenges facing minority and other predominantly low-income communities in California. While each of our foundations was already providing significant funding to address these issues, we agreed more could be done in two areas: 1) capacity-building support and technical assistance targeted to minority-led and grassroots community-based organizations that primarily serve minority and low-income communities; and 2) leadership development activities that could develop a diverse pipeline of executives, staff and board members for the nonprofit and philanthropic sectors. We also agreed to report publicly on an annual basis as we worked to address these issues. This letter constitutes our report for 2010.

The mission of The California Wellness Foundation (TCWF or Foundation) is to improve the health of the people of California by making grants for health promotion, disease prevention and wellness education. The Foundation has a Responsive Grantmaking Program with eight health issues that are prioritized for funding: diversity in the health professions, environmental health, healthy aging, mental health, teen pregnancy prevention, violence prevention, women's health and work and health. It also has a special projects fund to respond to other health issues. We prioritize funding for underserved populations including low-income individuals, people of color, youth and residents of rural areas. The majority of our funding is for general operating support.

### TCWF Grants Reach Underserved Communities

TCWF funds in all regions of the state, with grant dollars somewhat proportional to the population in each region. All grants are health-related, and annual operating budgets of organizations funded range from less than \$200,000 (Black Women for Wellness) to more than \$10 million (South Bay Family Healthcare Center). We make multiyear grants of up to three years. Currently, there are 905 active grants totaling \$152 million, 73 percent of which are to organizations that primarily serve ethnic minority populations and 54 percent are to organizations with operating budgets of less than \$2 million.

“TCWF is one of California's largest private foundations and a major funder of nonprofit organizations that both provide health services in communities of color and work to build the capacity of community members to engage in the political process to improve the health of their communities.



*This President's Message was posted on CalWellness.org.*

### **Building Organizational Capacity & Leadership**

Examples of recent TCWF grants that address capacity building and technical assistance include a \$250,000, three-year grant to Hispanics In Philanthropy (HIP) in 2009 and a \$500,000, two-year grant to the Liberty Hill Foundation in 2010. The grant to HIP is to provide capacity-building grants, convenings and technical assistance to Latino-led, Latino-serving nonprofit health organizations throughout California. The grant to Liberty Hill builds on a previous grant of \$1 million for a regranting pilot project to provide capacity-building grants to small grassroots, minority-led nonprofits in Los Angeles County. The grant was funded in partnership with the Weingart Foundation, which also provided a \$1 million grant for this pilot program. During the pilot project, Liberty Hill made \$1.2 million in grants to a total of 54 small grassroots nonprofits. This new TCWF grant will continue this program and will again be conducted in partnership with the Weingart Foundation, which is also providing \$500,000 over two years.

Examples of grants awarded in 2010 that address leadership development activities include a \$275,000 grant to CompassPoint in San Francisco and a \$200,000 grant to the Southern California Center (the Center) for Nonprofit Management in Los Angeles. The grant to CompassPoint is to continue the Leadership Program for Next Generation Leaders of Color, a program in the San Francisco Bay Area that has provided leadership development training for 16 ethnic minority individuals from nonprofit health and human service organizations over the past two years. The grant to the Center is for the Nonprofit Leadership Development Program to continue a program that develops skills of leaders of color to run nonprofit health and human service organizations in the Southern California region.

### **Health Reform in California**

TCWF has decided to prioritize three areas of funding with regard to the passage of the Patient Protection and Affordable Care Act: 1) sustaining the health care safety net; 2) increasing the health care workforce and its diversity; and 3) supporting advocacy and public policy efforts to inform underserved populations, policymakers and opinion leaders about the new law. Since the Act was signed into law in March 2010, TCWF has made: 1) 68 grants totaling \$10.8 million for the health care safety net; 2) 25 grants totaling \$3.8 million for increasing the health care workforce and its diversity; 3) a \$500,000, three-year grant to the Health Access Foundation for a collaborative effort with Consumer's Union, California Pan Ethnic Health Network and Western Center on Law and Poverty to ensure the greatest number of Californians receive the coverage and care they need under the new law; and 4) a \$260,000, two-year grant to the Field Research Corporation to conduct public opinion polls in 2011 and 2012 to assess attitudes and understanding of health care reform over time.

### **Looking Ahead**

TCWF is one of California's largest private foundations and a major funder of nonprofit organizations that both provide health services in communities of color and work to build the capacity of community members to engage in the political process to improve the health of their communities. In 2011, we will continue our Responsive Grantmaking Program and make an estimated \$38 million in new grants. The majority of these grants will again be for core operating support and capacity building to nonprofits that serve primarily ethnic minority populations. We employ an open application process, accepting one-page letters of interest throughout the year. Any nonprofit in California may apply at any time. The process for receiving a grant usually takes about six months.

We look forward to continuing our work with the nonprofit community to improve the health of the people of California. 



## A Challenging Environment for California Grantmakers

November 2010

Without a doubt, the environment for California grantmakers remains challenging as 2010 draws to a close, with the sluggish pace of economic recovery weighing heavily on the communities we support. For many foundations, the values of our endowments may have stabilized, but it will likely be several more years — at the earliest — before our grantmaking returns to the levels of 2006 or 2007. And the impact of the Great Recession — coupled with California’s budget stalemate that lasted throughout the summer and into the fall — on the region’s nonprofit sector, including the health care safety net, has been devastating.

Given the difficult economic environment and the systemic changes required to implement health care reform legislation signed into law earlier this year by President Obama, I believe the key challenge for foundations making grants in the health sector is to foster opportunities so that California will arrive at 2014 with a viable health care safety net. We need to provide grants that ensure that community clinics and hospitals can operate effectively in the “reformed” system and that access to care is preserved for those who fall outside the coverage boundaries established in the legislation. While the state must preserve its financial commitment to maintaining the health care safety net — as the cost is well beyond the capacity of private philanthropy — there are important ways that foundations can also play a role.

As I outlined at the conclusion of my August 2010 President’s Message, The California Wellness Foundation (TCWF) plans to address health care reform and the health care safety net with three strategies under our Responsive Grantmaking Program, which seeks to balance a Foundation-directed approach with responses to unsolicited letters of interest. This approach allows us the flexibility to respond to changing circumstances within the nonprofit sector. More information about each of these strategies is included below.

First, TCWF will make core operating support grants to health care safety net nonprofits so they can weather the ongoing storm and sustain their important services in the years before reform takes effect. Core support funding can serve as a temporary bridge to help organizations keep their doors open while they help the economically vulnerable, including those who have joined the ranks of the uninsured. For struggling clinics, a grant of core operating

“ We need to provide grants that ensure that community clinics and hospitals can operate effectively in the “reformed” system and that access to care is preserved for those who fall outside the coverage boundaries established in the legislation.



*This President's Message was posted on CalWellness.org.*


support can help purchase medical supplies, cover wages for frontline staff or help defray higher utility costs. We hope to prevent nonprofits from drowning now so they will still be around when our state's economy improves. During positive economic times, safety net providers can use core operating support to build organizational capacity, add administrative staff or transition to FQHC status.

Second, TCWF will make grants that help increase California's health workforce and its diversity so that the safety net system has the capacity to deliver culturally and linguistically competent care to the millions of residents who will be getting coverage through reform as well as those who remain outside its bounds. For example, TCWF will provide funding for pipeline programs and scholarships for underrepresented minority students interested in pursuing health career training programs. Pursuing a college degree can be a challenge — and that challenge begins with the application process. For young people who don't have college counselors, family members who went to college or college-bound peers, the process can seem insurmountable. Having access to these programs can provide valuable assistance for students of color and those from low-income families who are the first in their families to attend college. Budget cuts at all three levels of California's public higher education system (the UCs, Cal States and community colleges) have limited its capacity to meet the demand among young Californians for "slots" in health care training programs. It will be important to provide grants to statewide alliances or coalitions, with the understanding that groups with broad representation — particularly when public sector voices are also included — can inform policymakers and opinion leaders about strategies to reduce shortages of health care workers by training Californians for these in-demand jobs.

Third, TCWF will make grants to consumer advocacy organizations to fund their work that informs underserved communities about the opportunities and potential pitfalls in health care reform and makes sure their communities' voices are heard during the process of implementing health care reform. For example, in September the Board approved a \$500,000 three-year grant to the Health Access Foundation for a collaborative effort with Consumer's Union, California Pan Ethnic Health Network and Western Center on Law and Poverty to ensure the greatest number of Californians receive the coverage and care they need under the new law.

Along a similar line, TCWF will continue to fund an annual Field Research Corporation public opinion poll of California voters in 2011 and 2012 to assess attitudes and understanding of health care reform over time. Wide dissemination of poll results, including a briefing in Sacramento, will provide opportunities for policymakers and opinion leaders to incorporate information about constituents' attitudes into implementation strategies and public education about health care reform.

I believe these strategies are important if we are to achieve the goal of maintaining a viable health care safety net. Since the passage of the new health reform law, we have made 47 grants totaling \$8.17 million to sustain the health care safety net and 16 grants totaling \$2.59 million to increase and diversify the health workforce. In addition to these grants and what we plan to undertake over the next few years, other California foundations have created new pools of grant dollars for clinics to tap, launched emergency loan programs, or designed technical assistance services related to financial management — all with the intent of helping the health care safety net bridge funding gaps caused by the economic downturn and the budget impasse in Sacramento.

I hope that other foundations and corporate giving programs that focus on health will think about what they can do to further these goals within their own funding parameters or strategies. 



## The Health Care Safety Net and Health Reform

August 2010

The “Great Recession” that has severely impacted the global economy continues to have a solid grip on California. While measurements of economic growth show signs of modest gains in the national economy, this news comes as small comfort to many Californians, where unemployment remains above 12 percent statewide — and as high as 27 percent in rural areas such as Imperial County. Along with the growth in the ranks of the unemployed, the number of Californians without health insurance has climbed to more than 8 million, bringing countless new clients into the health care safety net after the loss of jobs, homes and health insurance. This added strain on the health care system is compounded for many clinics and hospitals by the ongoing budget stalemate in Sacramento.

Our newly published Annual Report cover story — “Weathering the Storm” — explores the stresses the health care safety net is facing from the economic recession and California’s budget crisis at a time when it is being asked to expand capacity to serve more people. The report also provides a description of some foundations in the state that have responded to this situation, providing low-interest loans, financial consulting services, technical assistance, targeted grants to safety net organizations and increased emphasis on the provision of general operating support.

Sustaining the health care safety net is of particular importance, given the prospect of federal health insurance reform. In March 2010, President Obama signed into law the Patient Protection and Affordable Care Act, the biggest expansion of public program coverage through Medicaid since that program was created 40 years ago. The reform provides new consumer protections, ensures coverage security for those with insurance, provides new and affordable options for many without coverage, and attempts to control the escalating costs of health care.

A recent poll by the Field Research Corporation found that the majority of California voters support the new law. However, in California, many of the details and key aspects of reform will depend on the state’s ability to adapt and develop necessary elements including, but not limited to, the creation of a health insurance exchange and the significant expansion and strengthening

“The development and implementation of reform in California will occur in the context of the state’s ongoing budget deficit and the already existing shortage of health professionals. California will also face the challenge of helping consumers throughout this diverse state understand and navigate this new insurance and care model.




*This President's Message was posted on CalWellness.org.*

of Medi-Cal and Medicare to serve an influx of new participants. Additionally, the development and implementation of reform in California will occur in the context of the state's ongoing budget deficit and the already existing shortage of health professionals. California will also face the challenge of helping consumers throughout this diverse state understand and navigate this new insurance and care model.

For the health care safety net, reforms hold substantial promise. Federally Qualified Health Center (FQHC) clinics will see an infusion of federal dollars in 2011 to improve infrastructure and will benefit from new workforce training initiatives designed to address shortages. Ultimately, millions of uninsured Californians will be able to secure coverage through expansion of Medi-Cal eligibility and subsidized coverage envisioned by the exchange.

It is important to bear in mind that reform will not bring expanded coverage until 2014 and, even then, will not provide coverage to everyone living in California. Reform will also not guarantee fiscal stability for every safety net provider. Millions of undocumented immigrants will remain uninsured, for example, and free or community clinics that lack FQHC status will be ineligible for many of the federally funded initiatives under the new reform law.

Health foundations in California and across the nation are determining how best to use their resources to assist with implementation of health reform. Grantmakers In Health has held teleconferences and webinars for funders to discuss and possibly coordinate efforts. Possibilities range from providing technical assistance to state and local governments to developing public education campaigns to inform the public about various aspects of the new law.

Foundations focused on health can also play a significant role in optimizing the results of health reform by making grants to clinics, hospitals and clinic consortia to sustain the health care safety net and expand access to care for as many Californians as possible as we make this transition. As for The California Wellness Foundation, we will continue our emphasis on the provision of general operating support for the health care safety net and for the advocacy organizations that work on behalf of underserved populations in the state. We will also continue our efforts to increase the health workforce and ensure it has the cultural competence and language proficiency to provide sufficient access to and quality of health care for the increasingly diverse population of California. 



“ I believe two key factors made our transformation possible: We stayed focused on our mission and made a concerted effort to “live” our operating principles by integrating them into all facets of our work.

# Staying True to Our Mission and Operating Principles Has Resulted in Foundation Diversity

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October 2009

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A recent study by a nonprofit advocacy organization indicated that, among large foundations, The California Wellness Foundation has one of the most diverse Boards with regard to ethnicity (70 percent) and gender (50 percent). But this wasn't always the case.

In 1995, the Foundation's Board of Directors did not look like the state's diverse population. Barely three years old then, the Board was composed of four white men.

By 1998, the Board had expanded to 10 directors — half were ethnic minorities and half were women. Also, our staff had more than doubled, reflecting greater diversity in ethnicity, gender, and professional background.

How did we get there in three years?

First, let me state what the Board did not do:

- We did not formalize and pursue diversity goals aimed at governance and programming.
- We did not establish benchmarks, metrics, or quotas.
- We did not create a diversity plan or conduct diversity audits.

Yet, in a short, three-year period, we succeeded in transforming the Foundation into one of the most diverse in the nation. We became a major California funder of nonprofit organizations providing health services to communities of color and advocating to improve the health of the underserved.

I believe two key factors made our transformation possible: We stayed focused on our mission and made a concerted effort to “live” our operating principles by integrating them into all facets of our work.

### **Mission Matters**

We never took our eyes off of our mission, which is to improve the health of the people of California. One of the Foundation's key priorities in pursuing this mission is to address the health needs of California's “traditionally



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underserved populations, including low-income individuals, people of color, youth, and residents of rural areas.” The Board logically believed that we would be most effective in reaching underserved communities around the state if we recruited trustees and staff armed with expertise, diverse professional backgrounds, and firsthand experience in California’s diverse nonprofit sector.

### **Embracing Our Operating Principles**

We were informed by the Board’s 1995 operating principles, which guided the Foundation as we developed our grantmaking program. Among the operating principles was one devoted to promoting pluralism and inclusiveness:

“Given the diversity of California’s population, the Foundation will seek to engage individuals on its Board and staff who are representative of that diversity and committed to incorporating the values of pluralism and inclusiveness into every aspect of their work. We will also seek to fund organizations that embrace those values in their mission[s] and activities.”

We “lived” the principles. By that I mean we worked consciously and intentionally at all levels to bring the best expertise to the Foundation in pursuit of our mission. We hired people with backgrounds in health, finance, communications, philanthropy, and law, among other professions. For California, it was critical to recruit professionals who understood the multiethnic dynamics of our state.

This effort was not limited to Board and staff. We sought consultants who were experts in their fields. For example, our communications program uses multilanguage media outreach campaigns and cannot rely on one general media market agency. We retain multiple firms with diverse backgrounds in reaching key audiences through ethnic, general market, and Internet media. For more than 15 years, we have worked with ethnic- and women-owned agencies to build a communications program that effectively reaches diverse communities.

### **Foundation Effectiveness**

Has the recruitment of a diverse Board and staff helped us to be more effective in our grantmaking? I have no quantitative evidence but I believe it has. We’ve made more grants in diverse regions of the state and reached more underserved populations, including women and girls, than we would have without the nonprofit experience and ethnic/gender knowledge that the Board and staff represent. A recent assessment of our grantmaking by an independent evaluation firm noted significant progress toward achieving our goals, and a constituent survey we conduct every three years showed increased satisfaction with our interactions and process.

That said, I do not endorse a “one size fits all approach” regarding diversity for all foundations. I respect the diversity in the philanthropic sector and the independence of individual foundations to honor donor intent, mission, and strategy. Each foundation’s board of trustees must develop strategies and activities they deem appropriate to achieve their charitable missions. In our case, embracing the values of pluralism and inclusiveness in developing a Board and staff somewhat representative of the state’s diverse population was, and is, an effective way to work toward improving the health of the people of California. 🏡



# A Strategy for Tough Times: Increasing Core Support To Help Nonprofits Survive

June 2009

Imagine being the executive director of a community-based nonprofit with a \$6.5 million annual budget that operates a health clinic, a food bank, and a jobs program. Before the economy soured, your organization served 400,000 clients annually. At the end of 2008, the number spiked to 475,000, yet your organization experienced reduced donations, grants and government funding, barely reaching \$5 million.

Similar stories like this are echoing across the country. This perfect economic storm is threatening the nonprofit sector in ways not seen since the Great Depression. The recession has overstayed its visit, driven largely by the implosion of key financial behemoths that bet their profits on exotic mortgages and poor credit risks — and creating more clients for nonprofits while homes, jobs, and health insurance are being lost.

Foundations haven't been exempt from bad news. A steep decline in our portfolios has diminished, or in some cases, decimated many of the philanthropic sector's grant programs. Add to that, severe government cutbacks as formerly robust tax bases take dramatic dives, causing some municipalities to teeter closer to insolvency, unable to support community programs.

Now is the time for foundations to temporarily consider shifting their strategies to provide the nonprofits with funding to keep the lights on and the doors open. Our experience during the last decade has taught us that core operating support can make all the difference to struggling organizations coping with dwindling budgets and increasing demands during this tough economic environment.

With most corporate and small business profits tanking, rising unemployment has fueled increases in the uninsured and homeless, accompanied by spawning even more penalties, such as rising food and gas prices, which have caused greater pain to the poor and struggling middle class. This economic tsunami has multiplied the traditionally heavy demands shouldered by nonprofits providing services to increasing numbers of people seeking shelter, food, clothing, and health care. There appears to be no immediate light at the end of this tunnel.

“Our experience during the last decade has taught us that core operating support can make all the difference to struggling organizations coping with dwindling budgets and increasing demands during this tough economic environment.”



*This article originally appeared in the June 2009 "Perspectives" column of Independent Sector's Memo to Members. It was subsequently posted as a President's Message on CalWellness.org.*

How then can we as foundations respond to nonprofit organizations without adding to their woes? We've seen creative approaches among our peers, including convening grantees, providing technical assistance, promoting collaboration, and providing loans.

But to struggling organizations, a one-year general support grant of \$150,000 makes all of the above pale in comparison. Even better, a grant — unlike a loan from a financial institution, government, or grantmaker, for instance — doesn't have to be repaid. And that's one less burden for nonprofits to carry.


It's all the more poignant when considering that nearly two-thirds of grantmakers report they will reduce their funding in 2009, according to a recent Council on Foundations' survey. It's likely that in 2010 this funding will decline even further. Therefore, the type of funding provided to nonprofits increases in importance.

Our Foundation has operated its Responsive Grantmaking Program since 2001, accepting unsolicited letters of interest and dedicating at least half of our grantmaking dollars each year to core operating support. In 2007, core support accounted for 63 percent of our grants and, in 2008, 73 percent. Indicative of the increasing strain on health and human service organizations, this number jumped to 90 percent in the first half of 2009.

One of the strengths of private independent foundations is their diversity in grantmaking approaches. There is power in our sector exercising its independence to implement myriad types of grant programs, including strategic initiatives and long-term funding.

But there's also power in flexibility. It's bold to strategically increase core support while temporarily putting on hold some or all grant programs that are too difficult for nonprofits to implement now as they focus on surviving. It tells the nonprofit sector that we not only feel your pain, we want to lessen it. This power has already been flexed by the Los Angeles-based Weingart Foundation and the Gulf Coast Foundation in Florida with their recent announcements to increase core support grants in 2009.

I respect the duty of each foundation's board of trustees to develop strategies and activities they deem appropriate to achieve their charitable missions. I also believe that we owe it to nonprofits to not conduct business as usual during these times. After all, they are on the front lines helping people survive what history will chronicle as the toughest economic period since the 1930s.

The core operating support strategy can serve as a temporary bridge to help organizations cross these troubled waters while they help the poor, working poor and newly out-of-work middle class who have now joined the ranks of the underserved. We can prevent nonprofits from drowning now so they will still be around when our economy improves and our grantmaking portfolios rebound. 



## A Grantmaking Foundation and a Service Organization

May 2009

The concept of public service has always been important to me. I was a junior in high school in 1961 when John Kennedy gave his inaugural speech and I completely embraced his challenge: “Ask not what your country can do for you. Ask what you can do for your country.” I believe that this idea is even more important today given the severe economic recession and its effect on all aspects of our society. It’s not what government or some other entity can do for us. Rather what can or will each of us do for our country, state, county, city, community? In the final analysis that’s what really matters.

One of the great strengths of private, independent foundations is their diversity. What they have in common is that each is established with private dollars that have been set aside to be used for a public or charitable purpose. However, that public purpose is unique to each individual foundation, codified in its mission and articles of incorporation. It is the duty of each foundation’s board of trustees to develop the strategies and activities they deem most appropriate to achieve their foundation’s charitable mission. As a result, private foundations range from being completely operational — developing and implementing their own programs while making few or no grants — to completely grantmaking, operating no programs of their own and providing grants to nonprofits to achieve their missions.

The California Wellness Foundation is first and foremost a grantmaking foundation. We see the fulfillment of our mission more through the actions and achievements of our grantees than those of the Foundation itself. We see ourselves as a *service organization* whose role is to be instrumental in the success of the organizations that we fund. The challenge is how to actualize the concept of being of service as an organization. I believe there are four criteria that are instrumental in doing so.

First, we are a *responsive grantmaker*. Rather than design new programs and ask nonprofits if they would like to apply for funds to carry out our ideas, we ask nonprofits to tell us what they need so we can provide them with the resources to achieve their goals.

Second, we attempt to *level the playing field* by creating an open-door process by which any organization in California can gain access to the Foundation’s grant process by submitting a one-page letter of interest. All letters are

“Simply put, for our Foundation to operate as a service organization we need to understand it’s not what we focus on, but how we work with our constituents that really matters.”



*This President's Message is based on a speech made by Yates on May 8, 2009, at the Pat Brown Institute of Public Affairs upon receiving the Lifetime of Excellence in Public Service Award.*

reviewed and organizations with \$40,000 annual operating budgets are given equal weight with those who have \$90 million annual operating budgets. It doesn't help to know me, a trustee or a program officer; all letters are equal.

Third, we have set a floor for the provision of *general operating support grants*. No less than half our grant dollars each year must be given for this purpose. These are grants for keeping the doors open and the lights on, for salaries, ongoing operating costs and paying for uncompensated care. In 2007, general operating support accounted for 63 percent of our grant dollars and rose to 73 percent in 2008. This is a testimony to the responsive nature of our grantmaking and, given the strain today on health and human service organizations with increasing demand and decreasing revenue, I expect this percentage will be even greater in 2009.

Fourth, we work to live our *organizational values*. Like most organizations we have a set of values posted on the wall. To become real, these must be embraced and practiced in our day-to-day interactions with each other and our constituents. I believe three of our values are most important to our work as a service organization.

*Integrity:* Keeping our word. If we say we'll contact you about your request within three months, we do so. Sounds simple, but requires an ongoing commitment to hold ourselves accountable.

*Trust:* Believing that the organizations receiving grants will keep their word and do what they agreed to in an award letter. With trust there is no need for heavy monitoring of grantees. In fact, once a grant is made it is highly unlikely the organization will see or talk with a program officer, unless they make a request to do so.

*Respect:* Believing that the people who are on the ground doing the work, running a nonprofit, know best how to do that work — not the foundation. That while we have the funds and nonprofits need those funds, our interaction and negotiation should be as respectful of them as we would like them to be of us.

Simply put, for our Foundation to operate as a service organization we need to understand it's not *what* we focus on, but *how* we work with our constituents that really matters. As I learned long ago as a practicing psychotherapist – respect for the other person overcomes any technique. 🙏



# Setting the Record Straight About Our Grantmaking

August 2008

You may have heard about the recent agreement announced by 10 California foundations including The California Wellness Foundation (TCWF). The agreement, which includes a list of the participating funders, calls for the development of new grantmaking efforts by either individual foundations or collective efforts by some or all of the 10 foundations to focus on capacity building and leadership development for small, grassroots community-based organizations that primarily serve ethnic minority populations.

The 10 foundations originally met to oppose Assembly Bill 624, which was withdrawn this past June. AB 624 would have required large foundations to place burdensome reporting requirements on already stretched nonprofits without increasing resources to them in the collection of data, including ethnicity and sexual orientation. It was also an attempt to influence the decisions of foundation trustees by implying certain groups or organizations should receive preferential treatment for funding, and it was based on a flawed and invalid report.

Our Foundation was and is still adamantly opposed to efforts that attempt to legislate the governance and/or grantmaking of private philanthropic organizations. As a private independent foundation, that role is aptly served by our Board of Directors, recognized for its distinguished backgrounds and expertise in areas that impact Californians' health.

TCWF is one of California's largest private foundations and a major funder of nonprofit organizations providing both health services in communities of color and working to build the capacity of community members to engage in the political process to improve the health of their communities. Given the diversity of California's population, the Foundation seeks to engage individuals on its Board and staff who are representative of that diversity and is committed to incorporating the values of pluralism and inclusiveness into every aspect of its work. We also seek to fund organizations that embrace those values in their missions and activities. However, we strongly believe that efforts to promote inclusion and diversity in philanthropic work should be voluntary, not mandated through legislation like AB 624.

As we met with our colleagues to discuss our collective opposition to AB 624, we came to a consensus that this legislation did nothing to empower or

“ We strongly believe that efforts to promote inclusion and diversity in philanthropic work should be voluntary, not mandated through legislation like AB 624.



*This President's Message was posted on CalWellness.org.*

strengthen nonprofit organizations committed to serving ethnic and low-income communities. We found that we all believed nonprofit organizations in California play a critical role in addressing the challenges facing these communities and that there were important systemic issues that restricted their ability to do so. Each of our foundations was already providing substantial funding to address these issues, but we agreed that we would work together to develop additional grantmaking activities. Our agreement was captured in the statement released in June.

Recently, we have received a significant number of inquiries about the agreement and how organizations can apply for the grants that will address the following areas facing minority-led and other grassroots, community-based organizations: capacity building, leadership development and increasing access to larger foundations. The 10 foundations are engaged in a planning process to determine potential grantmaking activities. This process will include a review of best practices and lessons we have learned from our current efforts, as well as input from small, grassroots nonprofits in California. The intention is to complete this planning by the end of 2008, at which time the results will be announced. Those results may include new grantmaking efforts by individual foundations or collective efforts by some or all of the 10 foundations. There is no way to know more until the planning is completed.

Regarding our funding, TCWF's priorities and grantmaking processes will not change. We will continue to have the one- to two-page Letter of Inquiry process with our eight health issues and special projects, and will continue to focus on our mission of improving the health of the people of California. The majority of our grants currently go to organizations that primarily serve ethnic minority populations and many are to organizations with operating budgets of \$250,000 or less. Organizations do not have to wait for the announcement — they can apply to us now.

As has been the case for nearly a decade, our Foundation's Responsive Grantmaking Program provides funding to support and strengthen nonprofit organizations, encourages leaders working to increase health and wellness within their communities and informs policymakers and opinion leaders about important wellness and health care issues. Our grantmaking also includes a focus on providing core support to nonprofit organizations that address the health needs of traditionally underserved populations, including low-income individuals, people of color, youth and residents of rural areas.

I hope this Op-Ed helps clarify some of the confusion around the agreement. I look forward to continuing our work together to improve the health of the people of California. 🙏

# Handguns Are Killing California's Kids



“It is not lack of knowledge or technical prowess that keeps us from reducing gun violence; the obstacles are ideological and political.”

## Gun Violence: The Endemic Epidemic

April 2008

The Valentine's Day shooting at Northern Illinois University outside Chicago that killed five and injured 14 is only the latest mass shooting in a two-week outbreak of gun violence across the nation.

In Oxnard, Calif., a 15-year-old boy is shot and killed — apparently by a 14-year-old — at E.O. Green Junior High School in Los Angeles, a man suspected of murdering three family members kills one LAPD officer and wounds another before he is shot by a police sniper. In Kirkwood, Mo., a man fires into a city council meeting, killing five people — including two police officers — and wounding two. A female student at Louisiana Technical College in Baton Rouge, La., shoots and kills two classmates before turning the gun on herself. In Tinley Park, Ill, five women are gunned down in a Lane Bryant clothing store.

Like the explosive epidemics of malaria in many parts of Africa, gun violence is the pervasive public health disease of our culture. The statistics are dire.

Since 1960, more than one million Americans have died in firearm suicides, homicides and unintentional injuries.

In 2005, the most recent year for which complete statistics are available, 30,694 people were killed by firearms — an average of 84 people every day. Another 64,389 were injured, about 176 per day. In California, an average of three young people died every day from gunfire. African Americans ages 12 to 24 make up just 1.6 percent of the state's population, yet in 2004 they constituted 29 percent of all firearm deaths and approximately 34 percent of all firearm homicides.

Firearms are the second most frequent cause of death overall for Americans ages 15 to 24. According to the Washington, D.C.-based Violence Policy Center, there are more than 200 million privately owned firearms in the United States — a third of which are handguns.

Even as we express our collective horror at tragedies like the ones in California, Illinois, Louisiana and Missouri, the truth is that we are addicted to gun violence. Bob Herbert of the *New York Times* once noted that “gun violence in America is as common as the sunrise. We celebrate it, romanticize it, eroticize it.” Above all, we market it — in movies, music, television, radio,



*This President's Message was posted on CalWellness.org.*

books, magazines and newspapers. In each generation, society's fascination with gun violence as a quick and reliable answer to all conflicts can be measured by such popular fare as "Gunsmoke," to "Pulp Fiction," to "Smoking Aces," to "Grand Theft Auto."

We have become so desensitized to violence that we're no longer outraged unless it's on the scale of Columbine or Virginia Tech, the 2007 shooting that left 32 people dead. Although we all hold deep beliefs about the immorality of violence, we distance ourselves from it through the pornography of gun violence as entertainment, which reduces real horror to abstract images . . . gunplay, the enjoyment of watching people "off" each other.

It is not lack of knowledge or technical prowess that keeps us from reducing gun violence; the obstacles are ideological and political. What seem to be technical arguments about our ability to control the use of firearms are really moral and political arguments about what we are willing or not willing to do.

We have the level of gun violence we do because we have arranged our social and economic life in certain ways rather than others. Let's not pretend that we simply do not know what to do to reduce gun violence. Rather, we as a society have decided that the benefits of changing those conditions aren't worth the costs.

We have an obligation not to trivialize this subject, not to distance ourselves from it and not to withdraw from it. While we may wish to avoid gun violence, it does not always avoid us. If you have any doubts, ask the families of the men, women and children who have been killed these past few weeks. 🙏



# Health Care Reform Must Address More Than Insurance

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Summer 2007

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As politicians debate the merits of health care reform measures, I'd like them to consider that all of the health insurance in the world won't help the state's underserved residents get the medical care they need if there are not enough health care providers available to treat them. Why? California is not producing enough health care providers to meet the need of the state's population.

According to the federal government, 51 of California's 58 counties are designated Health Professions Shortage Areas. Health care providers are significantly understaffed throughout the state, in both urban and rural counties. The shortage can be found at all levels, from technicians and assistants trained in a few months to specialists requiring years of higher education.

The shortage of health care professionals is exacerbated by the fact that the state's population is growing, aging and becoming increasingly ethnically diverse. California's population dictates the need for a health care workforce skilled in treating patients with a variety of language and cultural backgrounds in addition to treating problems associated with aging.

With the bad news comes the good news. The shortage of health professionals has created significant opportunities for young people in California – especially young people of color – to land a well-paying job or career in the health field. Our health system desperately needs health care workers with the cultural and language skills reflective of the population, and willing to work in the communities with the greatest needs.

These opportunities offer good pay and benefits, work flexibility and the security of knowing that one is in demand. The challenge is linking the job opportunities to the people who can best fill them.

I am encouraged that California's state legislature is paying attention to this issue. The state Assembly and Senate Health Committees, chaired by Assemblyman Mervyn Dymally and Senator Sheila Kuehl, recently hosted an informational hearing to learn perspectives from health and education professionals on how to grow and diversify the state's health care workforce. The governor is also addressing the issue as a part of his workforce

“All of the health insurance in the world won't help the state's underserved residents get the medical care they need if there are not enough health care providers available to treat them.”



*This Op-Ed was prepared for newspapers throughout the state.*

development initiative that specifically focuses on the shortage of nurses. It is important that these activities translate into progress as the elected officials determine California's health care reform options.

Here are some suggestions:

- Provide incentives to health care professionals to teach in the state's community colleges and universities. Many health education programs turn away qualified students because they simply do not have adequate instructor pools to meet the demands.
- Provide financial incentives to health care professionals willing to work in the Health Professions Shortage Areas. These include options like forgiving student loans, providing low cost housing packages and offering bonuses to relocate and remain in an underserved area.
- Provide incentives to vocational schools and institutions of higher education to recruit and admit an ethnically diverse student population in health care training programs.
- Recruit young people and career changers from the communities with the greatest need to obtain education and training in health professions. Research indicates that people are more likely to work in underserved areas if they come from those areas. Increase the pool of financial aid dollars available to help them pay for their training.
- Ensure that the UC, Cal State and community college systems have the capacity to provide enough slots in courses necessary to meet the demand for growing a diverse, culturally competent, language-proficient health care workforce. Last year, in nursing alone, 16,000 qualified applicants were turned away because of a lack of space in degree programs.
- Provide increased counseling services to high school students with a focus on completing the application forms to obtain financial aid and to apply for vocational or higher education. California has some of the best financial aid programs in the country, but often the young people who need it the most are the least equipped to apply for it. 🗣️



# Eradicating the Gang Violence Plague: It Takes a Village

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April 2007

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The recent drug-related arrest of a well-respected director of the job development program at Communities In Schools of the San Fernando Valley (CIS SFV) caused many observers to ask whether it's really worth investing in organizations that hire former gang members to help at-risk youth turn away from gangs, finish high school and find decent jobs.

The answer is Yes. CIS SFV is a gang intervention and prevention organization that our Foundation helps fund. Its diverse programs — some led by former gang members able to gain the trust of hard-core gang youth — serve more than 1,000 youth and young adults each year.

The arrest occurred during a flurry of criticism about the effectiveness of the L.A. Bridges Program — a 10-year-old, city-run partnership of community-based gang-prevention organizations (including CIS), schools, law enforcement and families of at-risk youth. Together, these events have thrown a shadow of doubt over public and private efforts to deter gang violence.

But setbacks are not sufficient reason to stop trying. The California Wellness Foundation strongly embraces the belief that the people directly affected by an issue are often able to devise the most effective solutions for their communities.

We need to stay focused on violence prevention strategies that are working to protect our citizens and communities. The following are key points to keep in mind.

It goes without saying that gang violence is overwhelmingly gun violence. Gun violence was first seen as a public health crisis in the early 1990s, when violent crime and homicides reached epidemic proportions. Incarceration obviously wasn't working as the sole deterrent to gun violence. It was time to focus on intervention and prevention — giving at-risk youth real alternatives to a life of crime.

Who are our at-risk youth? A Harvard Medical School study of 1,500 children, published last year in *Science* magazine, found that witnessing violence more than doubled the likelihood that a youth would become violent. Factors believed to influence the decision to join a gang include family members who

“The California Wellness Foundation strongly embraces the belief that the people directly affected by an issue are often able to devise the most effective solutions for their communities.”



*This President's Message was posted on CalWellness.org.*

belong to a gang and/or are incarcerated, gang-affiliated friends, poor grades in school, alcohol and drug abuse, and lack of parental supervision.

Since the early '90s, committed individuals have founded hundreds of grassroots violence prevention organizations throughout California. Programs range from hard-core gang intervention to individual counseling and mentoring, structured after-school tutoring and recreation programs for at-risk middle-school students, and life and job skills training for gang-involved teenagers.

The after-school component is crucial. Why? Because research by the U.S. Department of Education has shown that on school days, violence against youth spikes between the hours of 3 p.m. and 6 p.m. According to the FBI, the crime rate against youth triples during this time.

Gun policy reform is another key aspect of violence prevention. In 1999, the pioneering California state law banning the sale of assault weapons was strengthened to make it the toughest in the nation. Since the mid-1990s, California cities and counties have adopted more than 300 firearm ordinances. Bans by 56 communities on the sale of "Saturday night special" handguns led to the 2001 state law banning "unsafe" handguns.

Gun violence is still one of the leading killers of youth under 24. On any given day, the *Los Angeles Times'* Homicide Blog provides a grim list of young people gunned down on the streets. But in the years since violence prevention has taken root, the number of youth killed each year by gun violence in California has dramatically decreased — by 43 percent from 1991 to 2003. Apart from a slight (6.3 percent) increase in 2006, gang violence in Los Angeles has declined steadily since 2001.

To be sure, the violence prevention effort lacks major, long-term statistical studies of the effects of specific programs on gang and gun violence. The primary obstacle is money. But dozens of personal testimonies from former gang members who turned their lives around cannot be ignored. Nor should we ignore the results achieved by individuals like William "Blinky" Rodriguez.

In 1990, Rodriguez's 16-year-old son was killed in a drive-by shooting. The trust he gained after forgiving his son's killers at a face-to-face courtroom meeting enabled him to broker a 1993 peace treaty signed by 75 San Fernando Valley-based gangs. The treaty led to a 96 percent reduction in gang homicides in the Valley in 1994. That was the year Rodriguez founded CIS SFV/GLA.

Since 1992, The California Wellness Foundation has provided nearly \$95 million for violence prevention grantmaking, with the goals of producing usable research, keeping policymakers informed and bolstering community efforts. But this amount is a drop in the bucket compared to the state and local funding needed in this immense effort.

Only through long-term collective action on the part of community leaders, schools, law enforcement and elected officials can we hope to further reduce the plague of gang violence. 🙏



# Teenage Pregnancy Prevention Programs Save Tax Dollars

September 2006

Over the past decade, the teen birthrate in California dropped by more than 46 percent — the steepest decline of any state in the country.

In the East Bay, the trend is also heartening. According to a recent Public Health Institute report, “No Time for Complacency: Teen Births in California,” the teen pregnancy rate in Oakland decreased by 50 percent between 1991 and 2004. The report singled out California Senate Districts 9 (Alameda and Contra Costa counties) and 10 (Alameda and Santa Clara counties) as “beacon districts,” with teen birthrates lower than the state average and a decline in birthrates between 2001 and 2004 that surpasses the state average.

Experts attribute the overall decline in California’s teen birthrates to state and private funding for teen pregnancy prevention programs, including reproductive health care services and comprehensive sex education, and also to the state’s refusal to accept federal abstinence-only education funds. (These funds may be used only for programs that do not include “promotion (of) or instruction” about contraceptives.)

Moreover, community organizations across California are demonstrating that teen pregnancy can be prevented through efforts such as community organizing, building capacity of adolescent health service providers, and the establishment of peer-led teen clinics throughout the state. Thousands of adult youth-service providers have honed their skills in preventing teenage pregnancy through regional trainings, and young leaders in adolescent health promotion have been awarded scholarships to pursue health careers.

Since the early 1990s, California has taken the lead in allocating funds to research-based policies and programs for positive adolescent development and teen pregnancy prevention. This leadership spans the administrations of three governors — two Republicans and one Democrat.

Currently, \$120 million in annual state and private funding for pregnancy prevention saves taxpayers an estimated \$968 million in net costs — including welfare and medical assistance, costs for foster placement and incarceration of children, and lost tax revenue based on teen parents’ lower incomes and consumption levels. The total net savings to society is estimated to be \$2.2 billion annually.

“Community organizations across California are demonstrating that teen pregnancy can be prevented through efforts such as community organizing, building capacity of adolescent health service providers, and the establishment of peer-led teen clinics throughout the state.




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The reasons why teen pregnancy prevention has yielded an excellent return on investment are rooted in the health and social consequences of teen pregnancy. Teenage girls who become pregnant tend to drop out of school earlier and have less stable employment than girls from similar backgrounds who postpone childbirth and face greater health risks than women in their 20s. Teenage fathers also tend to have lower educational levels and earnings over time than their peers.

On Sept. 13, the California Wellness Foundation will hold its annual teenage pregnancy prevention conference in Oakland. Among the key issues to be discussed is the need to respond to the increasing diversity of California's population. Outreach must be targeted to the needs of specific cultural and ethnic groups. More youth development programs must be established to provide teens with job and life-management skills — proven ways of motivating teens to delay parenting. Continued access to appropriate reproductive health care that is culturally sensitive and language-appropriate must also be assured.

Our most pressing item of business is to spread the word about the success of teen pregnancy prevention programs. The bottom line is that continued investment in teenage pregnancy prevention services by the state of California is vital to the health and welfare of generations of our children. Policymakers should continue to provide adequate funding for these services, recognizing that when teens are given medically accurate information and access to health care, they are more likely to make responsible choices. 



## Violence Prevention Programs Save Lives

October 2005

With the escalating casualty rate of American military personnel dominating newspaper headlines, it may be tempting to ignore the problems facing American civilians at home. But consider the statistics: While more than 2,000 Americans have lost their lives since the war in Iraq began in March 2003, approximately 2,800 youth were victims of gun violence in California between 2000 and 2002, according to the latest available statistics from the California Department of Health Services.

The life-or-death situation that many of California's youth face on a daily basis can be compared to the grim realities confronted by our young soldiers stationed overseas. This statement is not meant to diminish the tragic loss of life in our armed forces. But we must use every means in our power to stop the senseless loss of young lives in our communities.

During the past decade, the state of California passed some of the toughest gun control laws in the country and dramatically increased spending for violence prevention and youth safety programs — including after-school opportunities and job training. These efforts have paid off. The number of young people killed by gun violence in California decreased by 43 percent from 1991 to 2003, according to the state health department's own statistical data.

The causes of violence, like those of many health and social problems that face cities across the nation, are complex. It stands to reason, therefore, that several factors may have contributed to this sharp and unexpected decline in violent crimes.

Some observers credit the "Three Strikes" law, which put more repeat offenders behind bars. Other commentators point to the presence of more police on the streets, a reduction in the number of guns in circulation, gang truces and more effective after-school and prevention programs.

The California Wellness Foundation believes that a strong contributing factor was the collective achievements of committed individuals working on the front lines to prevent violence in cities all across California.

Here in California, three visionary community leaders — recipients of The California Wellness Foundation's 2005 California Peace Prize — have created violence prevention programs that produce positive results.

“A strong contributing factor was the collective achievements of committed individuals working on the front lines to prevent violence in cities all across California.”



*This Op-Ed appeared Oct. 28, 2005, on the opinion page of La Opinión, the largest Spanish-language newspaper in the United States. The original article was published in Spanish, and has been translated to English for tcwf.org [CalWellness.org].*

Otilio “O.T.” Quintero, a former migrant farmworker, helps direct Barrios Unidos, a Santa Cruz-based national organization that guides young people away from drugs and gangs by providing educational, leadership development and community economic development programs. He has also advocated for youth violence prevention beyond Santa Cruz. Quintero helped secure the passage of AB 963, which established the California Gang, Crime and Violence Prevention Partnership Program. It has directed more than \$10 million to community-based organizations in California committed to preventing violence and gang activity.

For 17 years, Maria Velasquez has worked to reduce domestic violence in California’s rural communities. Based in Shingletown, Calif., she is a violence prevention trainer and outreach worker for Second Step: A Violence Prevention Curriculum, a classroom-based social skills program that addresses the connection between bullying behavior in childhood and battering behavior in adulthood. Velasquez is an outspoken advocate for breaking the generational cycle of violence by teaching children alternative ways of coping and negotiating.

Sayre Weaver, an attorney in Brea, has worked tirelessly over the past decade to reduce gun violence through legislation and litigation. She is now one of California’s foremost legal authorities on firearms regulation by local agencies. In 1996, Weaver helped the City of West Hollywood draft and defend its ordinance prohibiting “junk gun” sales. Weaver defended the power of California’s cities and counties to regulate firearms in two lawsuits, California Rifle & Pistol Ass’n v. City of West Hollywood (1998) and Nordyke v. King (2002), in which Weaver protected Alameda County’s ordinance banning gun possession on county property against a gun show owner’s challenge.

The honorees also reflect the diversity of California and the sad truth that no community is immune from the effects of violence.

To adequately address this issue, the role of law enforcement must continue to be augmented by a comprehensive public health focus on the environmental factors that contribute to violence — from the lack of after-school activities to easy access to firearms and alcohol. While grassroots organizations have established effective community programs, translating these local successes into effective statewide policy requires strong support by advocates and policymakers.

Those of us who have witnessed firsthand the thousands of lives saved by violence prevention programs over the past decade — and the millions of dollars saved in hospital care and police and fire response — must do all we can to ensure that these programs continue to reduce the gun violence toll on our youth. Just as violence has many causes, there is no single means of preventing it. 🙏



“How can we most effectively use our limited resources to support and strengthen the safety net so that health care can continue to be provided to those who have nowhere else to turn?”

## The Safety Net: A Case for Core Support

September 2003

For most, the concept of the “safety net” evokes an image of a strong, meshed material designed to save people from potentially fatal falls. For those of us in health philanthropy, the safety net also implies the saving of lives, since the term refers to the system of public hospitals, community clinics and health centers that care for the uninsured and other vulnerable populations. But today’s sagging economy, state budget shortfalls, diminished foundation assets, and reduced individual giving are tearing holes in the net.

The reality is that the safety net, no matter its strength — or weakness — is the primary source of care for the uninsured and underserved in the state of California. Since these vulnerable populations are the focus of The California Wellness Foundation’s (TCWF) grantmaking, the question for us has been: How can we most effectively use our limited resources to support and strengthen the safety net so that health care can continue to be provided to those who have nowhere else to turn? One of our answers is to provide core operating support to community clinics and the associations that support them.

The results of our Foundation’s seven years of such funding to the community clinic portion of the safety net have demonstrated that the provision of core operating support can be an important strategy to fortify essential providers, leaving them better prepared to confront new challenges. And our grantees have told us that the flexibility of TCWF’s funding has provided a needed buffer to help them weather the current economic storm.

In many cases, TCWF grants have helped these clinics while they were undergoing the changes needed to attain status as Federally Qualified Health Centers to obtain substantial federal funds. Grant dollars have also been used to hire additional medical personnel and complete essential strategic planning. Our grants to clinic associations have helped ensure a strong regional voice and support system for clinics throughout the state. Advocacy efforts of clinic associations have been critical to sustaining local government funding for member clinics; the technical assistance provided by the associations has effectively strengthened member clinics; and the development of integrated and shared services has increased the efficiency and effectiveness of member clinics.



*This was published as the preface to “Reflections On The Safety Net: A Case for Core Support” and posted on CalWellness.org.*

Providing core operating support to strengthen infrastructure and support the provision of existing health services for underserved populations may not be considered strategic grantmaking by some. However, under the economic and fiscal conditions that prevail today, sustaining the already frayed safety net is one of the most strategic things a foundation can do for those who lack other access to health care.

This document is shared with the hope that other foundations will explore the potential of providing core operating support to strengthen safety net organizations. We encourage your comments and feedback. 🙏

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Please visit the special newsroom at [CalWellness.org](https://CalWellness.org). It celebrates and recognizes Gary Yates’ legacy of service to philanthropy and the nonprofit sector.

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