

SNOHOMISH COUNTY
HEALTH LEADERSHIP COALITION



The mission of the Snohomish County Health Leadership Coalition is to improve health, healthcare costs and the economic vitality and prosperity of Snohomish County, Washington. The YMCA OF Snohomish County, a Nonprofit, 501(c)3 Corporation, is the FISCAL SPONSOR for the Snohomish County Health Leadership Coalition PROJECT.

TO: Stephanie Wright
Kurt Hilt
Grant Weed

FROM: Cynthia Eichner, Interim Director/Strategic Program Manager, SCHLC

RE: Response to Questions from Snohomish County Board of Health

DATE: January 16, 2019

Cc: Jeff Ketchel

On behalf of the Snohomish County Health Leadership Coalition, thank you for allowing me the opportunity to respond to your questions and provide further clarity around the proposed relationship between the Coalition and the Snohomish Health District.

FISCAL SPONSORSHIPS

The Snohomish County Health Leadership and the Snohomish County YMCA

The proposed relationship between the Snohomish County Health Leadership Coalition (SCHLC or Coalition) and the Snohomish County Public Health District **does not** involve establishing a Fiscal Sponsorship. The YMCA of Snohomish County currently serves as the coalition's Fiscal Sponsor and has committed to doing so until December 31, 2019.

The Coalition's (Sponsoree) agreement with YMCA (Fiscal Sponsor) primarily involves providing payroll services for independent contractor(s) serving the coalition, preparing monthly cash flow and transaction reports, and financial reports used in preparation for quarterly steering committee meetings.

The YMCA was chosen by the Coalition to serve as its fiscal sponsor in part due to its CEO being a founding member of the Coalition Steering Committee and its mission of *"strengthening communities through investments in our kids, our health and our neighbors"* that aligns with the Coalition's mission of *"local leaders working together to leverage assets and accelerate ideas for healthier, more economically vital communities"*.

Role of a Fiscal Sponsor

Fiscal Sponsorships are established as an alternative to forming a nonprofit 501(c)(3). They allow the Sponsoree (the Coalition) the opportunity to determine how best to modify or approach the project or initiative, explore funding models, and allow full focus on program development *exclusive* of administrative functions and services including payroll, financial management and donations.

In general, a Fiscal Sponsor also documents and records 501(c)(3) charitable donations to the sponsoree using their Tax-Exempt Status and EIN#. A Fiscal Sponsor must have a 501(c)(3) status and ideally must share and be aligned with the mission of the Sponsoree.

Questions #2, #3, #8, #10, #11 and #12 will not be addressed as a Fiscal Sponsorship is not being proposed between the Coalition and the Snohomish Health District. As previously stated, the Snohomish County YMCA serves as the Coalition's Fiscal Sponsor.

COALITION NONPROFIT STATUS

The Coalition's plans to become a registered 501(c)(3) have been discussed several times during the Coalition's lifecycle. In early 2018, during a Coalition strategic planning session with the Steering Committee members, the committee once again reiterated its intent for the Coalition to remain just that, a coalition, not a stand-alone nonprofit. It is not uncommon for coalitions or alliances to operate and maintain Fiscal Sponsorship agreements for several years.

INDEPENDENT CONTRACTOR SERVICE AGREEMENT AND GOVERNANCE

In addition to the Fiscal Sponsorship agreement between the Snohomish County YMCA and the Coalition, a separate Service Agreement has been executed for services provided by the Coalition's Interim Director/Strategic Program Manager.

The Coalition's governance model includes a Strategic Vision Oversight Committee (SVOC comprised of the CEO of the YMCA (as the Fiscal Sponsor) and leaders of the community. During the 2019 interim period beginning January 1, 2019, the duties performed by the independent contractor are evaluated by the Coalition's Steering Committee Chair. A monthly report and invoice are submitted to the committee chair and then processed for payment by the coalition's Fiscal Sponsor – the Snohomish County YMCA.

PROPOSED ROLE OF SNOHOMISH HEALTH DISTRICT AS THE COALITION BACKBONE ORGANIZATION

Coalition Backbone Organization

Completely separate from the Fiscal Sponsorship role currently provided by the Snohomish County YMCA, the Coalition proposes a relationship with the Snohomish Health District to serve as its **backbone organization**.

The Coalition's work is built around the principles of a Collective Impact Model that brings together community leaders across multiple sectors who have a shared and common interest in improving the health and economic vitality of Snohomish County. Collective Impact differs from other types of community collaboration initiatives as they are long-term commitments by community leaders to address specific problems. In this case, if the Snohomish Health District serves as the backbone organization, supporting the Coalition provides an opportunity to:

- Guide the coalition's vision and strategy
- Support the Snohomish Health District's aligned activities (of which there are many)
- Establish shared measurement practices
- Advance policy

Since the Coalition's inception, the backbone organization role has been served by **Premiera Blue Cross** and **Providence** through the ***Providence Institute for a Healthier Community***. Each organization sponsored or underwrote administrative costs of the Coalition to enable the coalition to operate on a modest budget of programming dollars.

Existing relationship between the Coalition and the Snohomish Health District:

As a Vice-Chair of the Coalition's Strategic Vision and Oversight Committee (SVOC) and Steering Committee, Mr. Ketchel leads a committee on Performance and Measurement (part of the Coalition's Strategic Plan) and serves as a mentor/advisor for the Coalition's community-led teams focused on Nutrition. Mr. Ketchel is also slated to move into the Steering Committee Chair role should the relationship between the Coalition and the Health District move forward.

As has been the case with the past two Backbone organizations, the Snohomish Health District may also wish to support the Coalition in the following manner:

- Use of workspace for coalition interim director/strategic program manager and future Coalition staff
- Use of meeting room space
- Communications support for Coalition website and social media
- Administrative support for Steering Committee meetings (Minutes)

LIABILITY AND INDEMNITY

A question has been raised about Liability Insurance and how the Health District would be protected against any claims - and whether there is a legal entity that can indemnify the Health District. The Coalition is **not** a legal entity. The Coalition serves as a community forum where people come together voluntarily to address health-related topics affecting our community. Of note, the two previous backbone organizations (Premiera and Providence) have not asked others to provide liability coverage or to be indemnified.

Again, thank you for the opportunity to respond to your questions. I, along with other members of the Coalition welcome the opportunity to further discuss at your convenience. Please do not hesitate to contact me directly via email at ceichner@snocohealth.org or (360) 770.5388.

We look forward to establishing a stronger relationship with the Snohomish Health District.