

CalTravel Foundation

Statement of Background and Purpose

History

California Travel Association (CalTravel) is the influential, unified advocacy voice of the travel and tourism industry in California. It protects and advances the interests and investments of California's travel industry through advocacy, collaboration, and education.

Over the last several years, CalTravel has grown significantly in size, influence, and resources as a 501(c)(6) organization. With stable financials, more than 1,000 members, a full-time staff of five, and a trusted network of partners and contractors, it is now in the position to add a charitable research and education foundation to support the long-term impact of the organization's work.

Many other associations around the state and country have added 501(c)(3) foundations to their structures for educational, charitable or scientific purposes, in order to complement their mission and tap into alternative funding resources.

Mission

CalTravel sees a potential similar opportunity to launch a 501(c)(3) foundation, in order to advance and elevate its impact on the industry, bring even greater value to its members, and better equip California's travel and tourism industry for the future.

The CalTravel Foundation's mission is ensure the long-term viability of CalTravel's tourism industry through innovation, education, and research. It will serve as an incubator, research arm, innovation think tank, and investor in a high-quality workforce.

The Foundation would work closely with Visit California, Destinations International, U.S. Travel Association, and other key organizations to ensure that it is not duplicating work or working at cross purposes with other organizations. The CalTravel Foundation would clearly define its scope and its goals, including guard rails to ensure it doesn't drift out of its lane or be used to fund current CalTravel operations such as association events.

The Foundation will not engage in research related to marketing, visitor information, visitor spending, or market forecasts. It is anticipated that the Foundation will conduct research and programs that will ultimately benefit its advocacy goals. For example, the Foundation could conduct research related to establishing a major events fund in California. In addition, the Foundation will serve as the recipient for funds for the Michael Gallagher Scholarship Fund.

In its structure as a 501(c)(3), it will allow members, individuals, and other foundations to make tax-deductible charitable contributions. It will have its own governance, its own resources, and will fund its own work.

Governance

While some administrative coordination and direction will need to be done by CalTravel's existing staff, the current organization will ensure that no focus or resources will be taken away from its core mission of advocacy, collaboration, and education.

The Foundation would be entirely funded independently and be required to cover its own expenses.

With a separate Board of Directors and self-funded staff to execute its work, the Foundation could add value to the industry in California on a scale that has not been possible from CalTravel before.

Next Steps

- Gain board approval to file AOI
- Create Board of Directors
- Prepare and file tax exempt applications
- Develop and approve work plan
- Create fundraising plan

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