



MEMORANDUM

TO: Trustees

FROM: Robert Poirer, Program Committee Chair **BOARD ACTION REQUIRED**

DATE: August 9, 2024

SUBJECT: Recommended Updates to the Community Investment Policies

The list below summarizes updates to the Community Investment Policies that are recommended to facilitate changes to MHB's allocation process.

1. Expand eligible applicants for funding by using the term "prioritize" in place of "only"

MHB's current investment eligibility requirements state that MHB will only invest in organizations that demonstrate fiscal, administrative, and managerial stability, prudence, and diligence. The updated language would instead state that MHB will prioritize investments in organizations that demonstrate fiscal, administrative, and managerial stability, prudence, and diligence. Describing these characteristics as a priority instead of an absolute better aligns with our intention to establish a Community Building fund that would be used to help launch pilot projects or support small or emerging organizations who may not yet have a track record.

2. Expand the type of funding cycles from three-year to multi-year

The Community Investment Policies currently state that MHB's primary use of local tax revenues will be investments made in a three-year cycle. The updated language would use the term multi-year instead of three-year to allow greater flexibility for grant periods that could range from two years (for the community building fund) to five years (for the behavioral health safety net fund).

3. Remove maximum funding limit to incentivize collaboration

Historically, the maximum funding limit for a single project was \$500,000 per fiscal year. Projects that were new to an organization had a funding limit of \$100,000. In 2018, MHB streamlined its application process and encouraged organizations to submit one comprehensive application instead of separate applications for each proposed project. The intent was to simplify grant management and project management for the funded partners and MHB staff. An unintended consequence was that organizations that were previously funded for multiple projects, now had single applications with budget requests that were significantly greater than previous single project requests. Many organizations did realize cost savings by reducing the overhead required to manage multiple grants, but their budgets still exceeded the previous maximum. In addition to streamlining its application, MHB also prioritized intergenerational programs in the 2019 CCSF

funding cycle and introduced a hybrid grant option. Hybrid grants could be paid from both the CCSF and CMHF funds to serve children and their caregivers. As a result of these two changes, the maximum funding limit for a single project was raised to \$750,000.

The funding limit for new projects remained unchanged at \$100,000 with an exception for the new Early Childhood fund. Unlike the traditional CCSF and CMHF applicants, EC applicants were applying to support collaborative networks. These EC intermediaries were newly established to provide professional development and training support for childcare providers who were unable to apply for MHB funding directly. They were not yet established enough to qualify for the maximum award amount available to CCSF and CMHF funded partners, but their projects were larger in scope than a traditional new project because they involved multiple-partners. In order to provide an adequate level of support for this new type of collaborative grant, an additional funding limit of \$300,000 was established for EC intermediaries.

For Fiscal Year 2025, MHB will introduce a new collaborative grant opportunity to support the establishment of a Behavioral Health Safety Net (previously described as Essential Services). This fund is intended to support a network model with more than one service provider subcontracted through an intermediary applicant. The applicant must be an established intermediary with a track record of successfully managing collaborative projects. They will be required to demonstrate the fiscal, administrative, and managerial stability previously described. However, without knowing the scope of the collaborative projects that the Trustees will select, we recommend that the funding maximum be removed from the Community Investment Policy for intermediaries. This would not prevent Trustees from setting a limit during the application phase or decision-making process. It would just remove the existing ceiling to ensure that Trustees can make a funding decision based on available budget and community need.

CITY OF ST. LOUIS MENTAL HEALTH BOARD OF TRUSTEES

REVISIONS TO COMMUNITY INVESTMENT POLICIES

RESOLUTION

WHEREAS, the City of St. Louis, Missouri has levied taxes pursuant to the laws of the State of Missouri Sections 205.975 – 205.990 RSMo. to fund the Community Mental Health Fund and Sections 210.860 – 210.861 RSMo. (2005 and 2020) to fund the Community Children’s Services Fund (CCSF); and

WHEREAS, this board is desirous to implement its responsibilities to expand and improve community mental health services and community children’s services in the City of St. Louis; and

WHEREAS, updates to the Community Investment Policies would align with MHB’s stated Community Children’s Services Fund and Community Mental Health Fund goals; and

WHEREAS, the Trustees have indicated their intent to, “Expand eligible applicants for funding by using the term “prioritize” in place of “only” as appropriate; and

WHEREAS, the Trustees have indicated their intent to, “Expand the type of funding cycles from three-year to multi-year”; and

WHEREAS, the Trustees have indicated their intent to, “Remove the maximum funding limit for Behavioral Health Safety Net intermediaries to incentivize collaboration.”

NOW THEREFORE BE IT RESOLVED:

The Trustees authorize the Executive Director to revise and re-issue the Community Investment Policies to include the three changes stated above.

APPROVED THIS 15th DAY OF AUGUST 2024

Board Chair/Officer Name (printed):	Signature:
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ATTEST:

Board Officer Name (printed):	Signature:
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