Family Service Agency of the Central Coast feels pinch of lack of CORE funding

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SANTA CRUZ — For the first time in 40 years of its partnership with the county and city of Santa Cruz, the Family Service Agency of the Central Coast – which has provided mental health services to the area for 65 years – did not receive funding for its programs and services.

The agency provides counseling, suicide prevention and supportive services – including the suicide prevention hotline – for Monterey, Santa Cruz and San Benito counties. Previously, the Family Service Agency received $172,000 from the CORE funding grants.

David Bianchi, executive director of the Family Service Agency, said that the local government funding is the organization’s largest source of funding and estimated its loss equates to about 8.5% of the agency’s revenue and support.

“We’re obviously scrambling to try to figure out for our next fiscal year, starting July 1, exactly what the impact is,” said Bianchi. “There’s no easy way to go about telling people who are trying to access your services that you don’t have adequate resources to see them.”

The grant comes from the county and city of Santa Cruz’s Collective of Results and Evidence-based (CORE) Investments, which is a local competitive funding application program that aims to achieve equitable health and well-being in Santa Cruz County.

Jason Hoppin, county spokesperson, explained that the process was established in 2015 to distribute scarce local community funding dollars.

“The problem was that for almost 40 years, we had given money to the same nonprofits over and over again. There were no provisions to see how well that money was being used or what the community benefits were,” he explained. “And it shut out other nonprofits that might be worthy and have new ideas from the process.”

Equity is central to the CORE program. Awarded funding focuses on programs that provide equitable improvements in the well-being of disadvantaged community members. Around $5.8 million is available for various three-year grants – $4.8 million from the county and $1 million from the city – beginning July 1 and extending to 2025.
County and city staff partnered with outside panelists to review and award funding, which was approved by the board June 7 and will be adopted in the June budget at the end of the month. According to the board, of the 58 panelists, 21% of the panelists were Latino, with a total of 31% panelists identifying as Black, Indigenous and people of color.

Applications were scored and judged by the panel based on the extent that: the application understood the needs and inequities within the community; the proposed services will influence those needs and inequities; and the agency has the necessary capacity to succeed. Nearly half (47%) of this year’s applicants were from new organizations, and out of the total 128 applicants, only 36 were recommended for funding.

Hoppin explained that the recommendations were simply based on which organizations wrote the best proposals. He pointed out that change is necessary to make a difference and improve the way the local government spends money on behalf of the county’s community.

“If you’re going to run a fair and open process, you can’t look at two proposals and then say, ‘Well this organization always had funding so we’re just going to go with them, even though this other organization has a better proposal.’ It’s just not fair to everyone involved,” he said.

Bianchi pointed out that funding from the county doesn’t need to be all or nothing.

“Unfortunately, the impression is that we shouldn’t be presuming that we would get funded from cycle-to-cycle. And I think that basic premise is wrong,” said Bianchi. “It’s not that we want to stop other agencies from accessing funds, the question is, if you’re funding existing services and clients, how do you then accommodate new applications that have merits as well? … If the existing services are still important and being done well, then you inject new money into the process to add on to the safety net, not destroy the foundation to bring new agencies and services in.”

The Family Service Agency requested $195,970 for funding – $47,250 for suicide prevention services and $148,720 for mental health services. Both its requests were not included in the recommendations to the board since the organization’s applications scored below the required 84 score cutoff.

Bianchi spent more than six months preparing his organization’s application including attending trainings, meetings and discussions about the process.

“Even though our scores on previous applications have been high, we still took this seriously,” he said. “The notion that non-recommended applications, many of which were from existing agencies like ours that all of a sudden, none of us could write an application, I think is an unfortunate premise.”

The Family Service Agency was not the only previously funded agency to be excluded from this year’s recommendations.
Community Bridges, a Santa Cruz nonprofit that has provided a variety of essential services to the community at little to no cost for more than 40 years, was denied its request of $816,000 in funding – making it the applicant with the largest amount of funding denied. The agency’s request for funding for its Meals on Wheels program was the only one to be accepted and was recommended $436,221 in funding.

Jayme Ackemann, marketing manager for Community Bridges, said the agency was shocked to find out that they would not be receiving funding for most of their programs and services.

“What I really take issue with is the way that [they’re] looking at total dollars and saying in total dollars ‘We’re actually expanding the pot, there are more nonprofits being funded,’” she said. “And while that may be true, and we’re all for bringing new nonprofits into the mix so there are new opportunities, the fact of the matter is that by reducing the funding allocations for these other vital services, there are communities that are just going to go unserved geographically.”

According to Community Bridges, its family resource centers serve more than 6,600 Santa Cruz County families across four locations – 7% of all family households according to the 2020 census.

Ackemann explained that the funding the organization normally receives from Santa Cruz goes to operating costs necessary to keep its facilities open. Without the funding, Community Bridges anticipates having to partially close all four Family Resource Centers and significantly reduce its services – at a time when the organization has seen a 50% increase in the number of people requiring its services.

“Right now, I can only focus on the number of real people in Santa Cruz County who will be hurt at a time when they are already hurting,” she said.

The World Health Organization announced in March that the COVID-19 pandemic has led to a 28% increase in cases of major depressive disorder and a 26% increase in anxiety disorders worldwide in 2020.

The pandemic caused a significant disruption in mental health services as well, according to the organization’s study, which stated that before COVID-19, only a minority of people with mental health problems received treatment and the pandemic has further widened the mental health treatment gap.

The timing of the funding recommendations also coincides with the Family Service Agency’s transition to the three-digit 988 mental health crisis hotline number.

The hotline launches nationwide July 16 and is expected to improve access to psychiatric care for people seeking mental health help, but it’s also expected to increase the number of callers. Many organizations, including the Family Service Agency, are concerned that they won’t have the infrastructure or staffing to handle the increase.
Bianchi explained that the agency was counting on the city and county funding to help ease the transition without affecting the organization’s other services but now may not have all the resources it had hoped to.

With the hotline launching July 16 and the organization’s new fiscal year starting July 1, the Family Service Agency is scrambling to find other sources of funding in a few short weeks.

“All of this unfolded basically in the span of a week,” Bianchi explained.

Ackemann said the CORE recommendations were published online the first week of June, but Community Bridges wasn’t notified personally until the morning of June 7 – less than an hour before the board’s meeting to approve the recommended funding awards. Organizations had until Friday, June 10 to appeal but were sent the feedback of their applications that day.

Around 19 organizations have appealed the funding decisions made by the board, which will be reviewed and decided at the board’s meeting on June 28. Until then, the Family Service Agency and Community Bridges are asking community members to call the board of supervisors and tell them their stories and why the organizations’ services are necessary.

“It’s easy to talk in a sterile atmosphere about this, but when you’re talking to someone who’s lost somebody to suicide and is asking, ‘why are you doing this?’, until they hear from those folks, they don’t understand,” explained Bianchi. “I think that’s the unfortunate part of this. This was a process that a great deal of time and money was put into. But in the end, when you have a process, and you want to hold how great that process was and then suddenly you look at the wreckage of the results – maybe you need to take another look.”