

Funding for Impact

Best Practices for Equitable, Flexible, and Inclusive Funding of Community-Based Organizations Advancing Behavioral Health

A Brief Guide for Funders of Behavioral Health

DECEMBER 2024



The Denver Foundation



COLORADO **HEALTH** INSTITUTE

Background

The Behavioral Health Public Policy Advocacy Cohort, funded by The Denver Foundation through the Colorado Health Access Fund, was established in 2023 to build and support a more robust, culturally competent behavioral health workforce. The cohort consists of 12 organizations advancing behavioral health efforts with expertise in disability rights, public policy advocacy, direct service provision, and cultural responsiveness.

Cohort members identified two key priorities for 2024 and 2025 and established two separate workgroups to steward these priorities.

Priority 1:

Funding Options to Improve Access to Culturally Responsive Behavioral Health Care:

We aim to advocate for accessible and equitable distribution of funds by offering funders alternative funding practices that support culturally responsive behavioral health care and the diverse needs of our community.

Priority 2:

Supporting Education to Bolster the Behavioral Health Workforce Pipeline:

We recognize the critical importance of strengthening the workforce pipeline to ensure Colorado has an adequate number of behavioral health providers, especially mid-level providers. Our efforts will focus on supporting educational initiatives and partnerships that develop and sustain a robust and skilled behavioral health workforce.

In 2024, one workgroup focused on priority 1 and developed this set of best practices to address funding options to improve access to culturally responsive care. The cohort's work aims to enhance the accessibility and effectiveness of behavioral health services by ensuring that funding mechanisms that support better access to culturally responsive behavioral health care are equitable and culturally attuned to the needs of diverse communities.

The Denver Foundation launched a public policy advocacy grant in 2019 as part of the Colorado Health Access Fund. The grant is intended to advance and maintain access to quality behavioral health care services through public policy advocacy. The Denver Foundation worked with the Colorado Health Institute (CHI) to create a second cohort focused on advancing behavioral health systems change. This cohort has received funding from 2023 through 2025.

The 12 organizations in the cohort represent multiple disciplines, populations, and geographies across Colorado. They bring expertise in disability rights, public policy advocacy, direct service provision, and cultural responsiveness across the behavioral health spectrum. Cohort members identified two key priorities for 2024 and 2025 and established two separate workgroups to steward these priorities. Cohort members, a part of the workgroup focused on Priority 1: Funding Options to Improve Access to Culturally Responsive Care created this report.

Cohort members are:

- Aurora Mental Health and Recovery (formerly Asian Pacific Development Center)
- Center for African American Health
- Colorado Behavioral Healthcare Council
- Colorado Center on Law and Policy (CCLP)
- Colorado Cross-Disability Coalition
- Colorado Mental Wellness Network (CMWN)
- Colorado Rural Health Center
- Envision:You
- La Cocina
- Servicios de La Raza
- The Fund for a Healthier Colorado
- Voces Unidas

Purpose of This Document

This document is intended to offer a set of best practices for state and local government agencies and philanthropic funders to enhance their collaboration with community-based organizations (CBOs) in behavioral health initiatives. It outlines strategies for equitable grantmaking, funding distribution, and meaningful engagement with behavioral health partners. While it focuses on supporting culturally competent behavioral health work, the principles and practices outlined here can be applied more broadly. Additionally, this document can serve as a resource for CBOs to reference in discussions with funders, aiming to spark dialogue and drive improvements in funding practices and policies.

Challenges Faced by Peer-Led and Small CBOs

Traditional behavioral health providers often struggle to offer equitable services due to structural limitations, inflexibility, and cultural isolation, contributing to workforce retention issues. Smaller, peer-led organizations, especially those led by people with lived experience, face barriers when working with large government and foundation funders. These funders often overlook the unique capacities of smaller CBOs, such as limited cash reserves or infrastructure. This document was developed by the cohort to help funders better understand and support culturally responsive, community-led organizations.

CBOs often encounter significant challenges in accessing necessary resources, which deprives their communities of essential support and services for behavioral health and other supports. Key challenges include:

- **Inaccessible Resources:** When CBOs cannot access needed resources, their communities are deprived of essential support and services for behavioral health and other supports.
- **Incomplete Funding Opportunities:** When the community is left out of the conversation, funding opportunities may be inadequate or ineffective.
- **Lack of Decision-Making Power:** Community and clients often lack decision-making power in funding processes.
- **Tension Between Grant and Contract Dynamics:** Grant-based funding streams are often less stringent and punitive on CBOs than contract-based agreements, leading to the risk of CBOs losing funding entirely if they fail to meet contract obligations. This disparity can create challenges for CBOs in navigating funding requirements and maintaining sustainable operations.
- **Timing Tension:** Not having enough runway to achieve realistic goals, transparency on funding opportunity timelines, and clear expectations can impact timelines, especially for smaller CBOs.
- **Burdensome Reporting:** Reporting requirements need to support two-way learning between funders and recipients. Extensive reporting where recipients are merely “checking the box” for many requirements is not helpful.



Best Practices for Engaging With and Funding CBOs

The following section presents five best practices for funders to use when engaging with and funding CBOs. These best practices aim to foster effective partnerships to ensure that initiatives are equitable, inclusive, and culturally responsive to the behavioral health needs of communities served.

Centering Lived Experience

Prioritizing lived experience in program design, implementation, and related decision-making is key to culturally responsive behavioral health support. Honoring lived experience also fosters stronger partnerships between funders and CBOs. Funders who center lived experience ensure that behavioral health initiatives are informed by the perspectives and needs of those directly impacted.

AUTHENTIC REPRESENTATION:

Ensure that decision-making bodies and program leadership reflect the diversity of the communities being served, including meaningful representation from individuals with lived experience.

CULTURALLY TAILORED SERVICES:

Develop programs that are culturally sensitive and tailored to the unique needs, preferences, and cultural practices of diverse communities in Colorado.

COMMUNITY OWNERSHIP:

Foster a sense of ownership and empowerment within communities by involving them in the co-creation, implementation, and evaluation of behavioral health programs and initiatives.

ACCESSIBILITY AND OUTREACH:

Prioritize accessibility by removing barriers to access, such as language barriers, transportation challenges, and stigma, and implementing targeted outreach strategies to reach underserved communities.

TRAUMA-INFORMED APPROACH:

Recognize and address the impact of trauma on individuals and communities, integrating trauma-informed practices into funding program design and service delivery.

CONTINUOUS LEARNING AND IMPROVEMENT:

Commit to ongoing learning, evaluation, and adaptation based on meaningful feedback from people with lived experience and community stakeholders to continuously improve the effectiveness and relevance of behavioral health and mental health programs.

RESOURCE EQUITY:

Ensure equitable distribution of resources, funding, and opportunities across communities to address disparities in behavioral health, mental health outcomes, and access to care.

MEET PATIENTS AND CLIENTS WHERE THEY ARE:

Engage with patients and clients in their own contexts and understand their unique circumstances. Address the intersectionality of identities and experiences, considering how factors such as race, ethnicity, gender identity, sexual orientation, socioeconomic status, and disability intersect to shape behavioral health needs.

HONOR AND VALIDATE EXPERIENCES AND CHOICES:

Acknowledge and respect the experiences of clients as valid and important. This means actively listening to their stories, validating their feelings, and incorporating their feedback into program design and policy decisions.

CCLP has engaged with community members to understand their experiences with Medicaid and other state programs. By elevating these perspectives, CCLP has worked collaboratively with HCPF and Governor's Office leadership to identify areas where programs can better address community needs. This partnership, rooted in honoring lived experience, has strengthened efforts to ensure that program improvements are informed by and responsive to those directly impacted.

Community Engagement and Input

Involve diverse stakeholders, including people with lived experience, in all levels of decision-making to ensure funding initiatives align with community needs and preferences. This will require expertise in government and foundations so that they know how to appropriately engage. This may require changes or workarounds to existing processes.

Flexible and Responsive Funding Mechanisms

Provide flexible funding options that allow CBOs to adapt and innovate their services based on emerging needs and cultural considerations. This includes offering multi-year funding commitments, establishing contingency funds for unforeseen challenges, and streamlining administrative processes to reduce bureaucratic barriers.

Diverse Governance and Decision-Making

Ensure that leadership responsible for funding decisions within state and local government agencies and philanthropic bodies either includes or meaningfully consults with people with lived experience. This applies to both staff and board members. If a funders' leadership team does not include people with lived experience, ensure that training is provided to staff on centering lived experience in their work.

Solutions-Focused Engagement

Adopt a collaborative approach when addressing issues or misunderstandings with grantees. Rather than solely referring to contractual language, engage with CBOs to identify and implement solutions that meet both contractual guidelines and the CBO's needs. This method supports grantees in navigating challenges, ensures effective use of funding, and fosters a more supportive and problem-solving relationship between funders and CBOs.

Envision: You has engaged in collaborative one-on-one meetings with state government partners, where the team was able to voice their concerns directly to the state funder. This funder was responsive and focused on problem-solving.

Strategies for Funders to Implement

This section outlines key strategies for funders to improve engagement with CBOs and enhance the effectiveness of grant-making. By prioritizing these strategies, funders can create more equitable and supportive funding environments.

Prioritize Cultural Competence in Grant-Making

Prioritize grant criteria that promote cultural competence in behavioral health care. This should include specific indicators such as the number of clients hired, board membership, and policies supporting client involvement. Other aspects to consider include geographic location, disability and rural cultural competence, language, and socioeconomic factors.

Simplify Grant-Making Processes and Reporting Requirements

Streamline application and reporting procedures for CBOs. Ensure funding timelines are feasible by allowing ample time between the announcement of opportunities and submission deadlines. Provide clear, direct, and targeted communication about funding opportunities. Additionally, offer technical assistance during the application process to support CBOs in preparing complete and accurate submissions. Reduce administrative burden by simplifying reporting requirements and offering tools or templates to ease submission efforts.

Envision: You has experienced a streamlined and supportive grant reporting process through its work with a local funder. The funder provided expenditure reporting templates, a standardized presentation deliverable format, and made reporting grant metrics easier via Google Form. These tools established clear expectations and fostered collaboration among small CBOs, enabling them to work together efficiently on submissions.

Support Capacity Building

Offer cultural competence training for staff, provide funding for CBO staff development, and facilitate peer learning among CBOs — through grantee learning circles or networking opportunities.

Develop Meaningful Evaluation and Feedback

Establish comprehensive evaluation frameworks that incorporate culturally appropriate measures to accurately assess the effectiveness and impact of funded programs. Ensure that evaluation methods are tailored to the specific needs and contexts of the communities served. Conduct regular feedback sessions with CBOs and other stakeholders to gather insights and address challenges or gaps. Use the findings from these evaluations and feedback sessions to refine funding strategies, improve program delivery, and make informed decisions about future funding allocations. Ensure evaluation requirements can be scaled from the community to the macro level.

CMWN demonstrates the importance of meaningful evaluation and feedback through its comprehensive engagement efforts. From 2021 to 2022, CMWN conducted statewide listening sessions to understand the peer support workforce landscape, addressing power dynamics to ensure equitable participation. Through its Peer Support Advisory Committee, CMWN gathers culturally relevant insights from workforce members to tackle challenges and improve retention. This collaborative approach provides funders with actionable perspectives from members of the behavioral health workforce to refine strategies, enhance program delivery, and align investments with community needs.

Support Sustainability Planning

Collaborate with CBOs to develop sustainability plans, provide technical assistance to diversify funding sources, and encourage partnerships among CBOs for leveraging resources. When possible, consider longer grant cycles or multiyear funding — a common request of CBOs, as this reduces the frequency of applications and offers more financial stability.

Engage with Boards

For facilities or government entities governed by community boards, board member engagement is crucial. Their support is essential for meaningful implementation and sustainability. Board engagement and buy-in are paramount to the success of many health care facilities and communities. In a constantly evolving health care landscape, board members need tools, knowledge, and community context to offer meaningful guidance to the facilities they govern.

The Colorado Rural Health Center connects rural health care facility leaders with the National Rural Health Association's Rural Health Fellows Program, which develops leaders who can articulate a clear and compelling vision for rural Colorado. Through this training, leaders are equipped with tools to engage and educate community boards about the broad health care implications of board decisions.

Conclusion and Looking Ahead

This document aims to spark meaningful dialogue between behavioral health funders and CBOs about improving funding practices and policies. It outlines the best practices and strategies that promote equity, flexibility, and inclusivity in funding. While these recommendations provide a valuable starting point, real progress will require collaborative efforts. Funders and CBOs must work together to adapt and implement these strategies, driving changes in policies and procedures that address the unique needs of diverse communities and enhance the overall effectiveness of behavioral health initiatives.

