



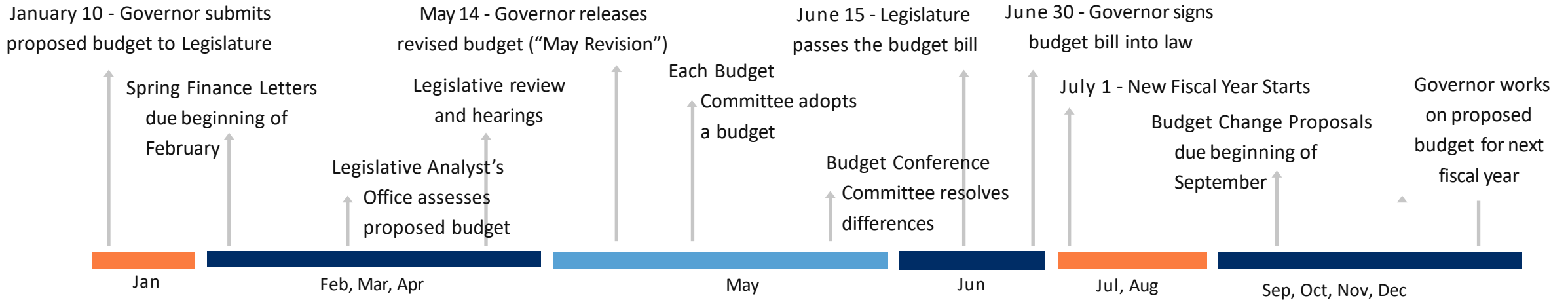
Executive Director's Update

Brenda Grealish, Executive Director
May 28, 2026



May Revision

California's Budget Process



Commission proposals are submitted to the Department of Finance (DOF) and/or the Legislature, reviewed and revised by the DOF and/or the Legislature, and negotiated by the Governor and Legislature.

Commission budget proposals do not require the DOF's approval before submission to the Legislature.

May Revise Budget Adjustment for FY 2026/27

- **Total Expenditures:** \$349.4 billion (\$246.6 billion General Fund)
- **Budget Solutions**
 - **Revenue:** \$3.6 billion in total solutions in 2026/27, growing to \$5.1 billion in 2027/28 and decreasing slightly to \$4.4 billion in 2029/30.
 - **Spending Reductions and Reforms:** \$411 million in total solutions in 2026/27 – growing to \$711.9 million by 2029/30.
 - **General Fund Offsets:** \$390.7 million in total solutions in 2026/27 decreasing slightly to \$256.5 million by 2029-30, including:
 - **Behavioral Health Services Fund (BHSF):** \$211.9 million in 2026/27, growing to \$226.4 million in 2029-30 from utilizing BHSF in lieu of General Fund.
- **May Revise Proposals**
 - Cuts **Innovation Partnership Fund (IPF)** from **\$20 million to \$10 million** per year.
 - Eliminates **\$6.7 million Community Advocacy Program** supporting 16 contracts across nine underserved populations.

Innovation Partnership Fund (IPF) Reduction

- **Why It Matters**

- IPF is the state's only dedicated statewide innovation engine under BHSA, designed to test, evaluate, and scale effective behavioral health solutions across counties.
- Proposition 1 centralized innovation and reduced overall innovation funding; cutting IPF again further weakens California's ability to build a statewide evidence base and scalable models.
- IPF supports both community-driven and large-scale system innovations, including projects that improve access, equity, workforce capacity, integration, and quality for BHSA Priority Populations.

- **Immediate Impact of the Cut**

- Would eliminate half of ready-to-award grants in July 2026, despite overwhelming demand: 300+ applications, 1,000+ bidders' conference attendees, 400+ inquiries.
- Reduces the state's ability to deliver scalable, cost-saving solutions counties can adopt - risking more isolated, duplicative approaches.

- **Bottom Line**

- Without IPF, no other statewide mechanism exists to drive innovation at scale during BHSA implementation.

Community Advocacy Program Elimination

- **Why It Matters**

- Operationalizes the BHSA principle “Nothing about us without us”, ensuring consumers, families, and underserved communities can meaningfully participate in planning and oversight.
- Required by statute: BHSA must include funds to help consumers/families ensure state and county agencies consider concerns about quality, service delivery, and access (WIC 5892(d)).
- Provides culturally rooted, trusted organizations that deliver advocacy, education, outreach, and engagement for populations with the greatest barriers to care.

- **Who Is Impacted**

- Eliminating the program ends 16 contracts supporting: LGBTQIA+, diverse racial/ethnic communities, veterans, K-12 youth, clients/consumers, families, parents, TAY, and immigrants/refugees (statewide and local).

- **Immediate Impact of the Cut**

- Loss of community-led capacity during a period when BHSA implementation depends on robust community partnership to succeed.
- Halts multi-year contracts mid-stream, potentially disrupting work already underway and leaving organizations uncompensated.
- Weakens accountability, reduces equitable access, and leads to later, more costly care.

- **Bottom Line:** Eliminating this program undercuts BHSA at its core: a transformed system cannot be built for communities without communities.

Timeline and Next Steps

Timeline

- May 14: Governor released May Revise.
- May 19: Assembly Budget Subcommittee hearing; testimony by Brenda Grealish and Commissioner Gary Tsai.
- May 20: Senate Budget Subcommittee hearing; testimony by Brenda Grealish and Kiran Savage-Sangwan, Executive Director, California Pan-Ethnic Health Network (CPEHN).
- June 15: Constitutional deadline for Legislature to pass Budget Bill.
- Mid to late June:
 - Legislature and Administration negotiate Trailer Bills (Budget Bill Jr.).
 - Governor signs Budget Bill and Budget Bill Jr.; determines vetoes.
- Late June: Budget Act and Trailer Bills published.

Next Steps: If cuts remain in the enacted budget, staff will return to the August Commission meeting for further discussion and direction.



Commission 2.0

Clear Priorities, Strong Processes, and Bold Leadership

CBH Long-Term Impact Planning

- 2025 CBH Executive Team Summer Internal Retreat Sessions
- LRI Executive Coaching and All-Manager Leadership Development Sessions
- CBH Monthly All Team Meetings
- CBH Strategic Plan Update

CBH Core Priority Areas

OPERATIONAL EXCELLENCE

Strengthening our infrastructure to support exceptional CBH staff team performance

COMMISSIONER ALIGNMENT

Ensuring commissioners have the clarity, tools and insight to lead effectively.

COMMISSION FORWARD

Strengthening our impact by elevating community insight and shared leadership.

Operational Excellence

ESTABLISH ALIGNMENT & ACCOUNTABILITY INFRASTRUCTURE

- Reduce CBH overall vacancy rate
- Priority setting / leadership alignment
- Reorganization updates
- Strategic Plan
- Project management / workflow procedures
- Use of AI for streamlining / efficiency
- Improving communication (up, down, across)

Operational Excellence (continued)

REBUILDING KNOWLEDGE, SKILLS, AND CULTURE

- Annual performance reviews
- Learning opportunities for BHSA
- Learning opportunities for CBH priorities
- Improve quality of work products submitted to CBH executive leadership
- Conferences / events
- Empowering the team / collaborative communication
- Training opportunities (analytical, synthesizing, management, etc.)

Operational Excellence (continued)

CONTRACTS/GRANT STRENGTHENING

- Resources align with workload
- Developing & drafting stronger RFPs and contracts (clear logic models; measurable goals & objectives; clear deliverables)
- Learning procurement / training
- Amending previous contracts
- Improving grant/contract software/tracking
- Continuous quality improvement for deliverables acceptance
- Developing and teaching processes and procedures
- Connect deliverables to Commission goals

Example: Operational Excellence SMART Goals

ESTABLISH ALIGNMENT & ACCOUNTABILITY INFRASTRUCTURE

Goal Area	SMART Goal
Reduce CBH overall vacancy rate (recruitment and retention)	Reduce the overall vacancy rate from 23% to below 10% by June 1, 2026 , through targeted recruitment strategies, accelerated hiring workflows, and proactive onboarding planning. Implement bi-weekly vacancy tracking reports, assessing progress and identifying opportunities to remove barriers. <i>Note: Also track the one-year turnaround rate for staff positions and three-year turnaround rate for managerial positions (remove probation failures from the denominator).</i>

See handout for a comprehensive list of CBH Operational Excellence SMART Goals.

Commissioner Alignment

- Clarify collective priorities
- Strengthen meaningful Commissioner participation and satisfaction
- Commissioner/CBH staff alignment
- Commissioner/behavioral health community education and engagement
- Commissioner education and training infrastructure

Commissioner Alignment SMART Goals

Goal Area	SMART Goal
Clarify collective priorities	<p>Between February and May 2026, complete a structured strategic plan update process to clarify collective Commissioner priorities through a series of coordinated engagements. This includes: (1) conducting a Strategic Plan Advisory Committee session in February 2026 (completed), (2) presenting updates and gathering additional feedback from the full Commission in March 2026, (3) incorporating feedback into a second Advisory Committee session in April 2026, and (4) developing a final strategic plan update document/addendum for Commission review and approval in May 2026.</p> <p>Following adoption, work with Leading Resources, Inc. to translate the approved priorities into a comprehensive operational plan by July 31, 2026. Beginning August 2026, implement the operational plan across all Commission functions, ensuring that committee work plans, agenda setting, and program activities are aligned with the newly established priorities through December 2027.</p> <p>Embark on a new 2028-2031 Strategic Plan process in 2027 (September Committees for funding and Full Commission for approval).</p>

Commissioner Alignment SMART Goals

Goal Area	SMART Goal
Strengthen Meaningful Commissioner Participation & Satisfaction	By March 31, 2026 , implement a Commission Connector bi-weekly newsletter to increase meaningful Commissioner participation by regularly sharing staff work, program updates, and key deliverables in accessible formats that support informed engagement and decision-making. Beginning in March 2026 , compile committee presentations and key discussion highlights into a Committee-to-Commission blog, which will be posted to the CBH website and disseminated to all Commissioners prior to Full Commission Meetings. Beginning in May 2026 , to increase engagement in Commission efforts, incorporate one multimedia segment into full Commission meetings. By September 2026 , evaluate Commissioner participation and satisfaction through a feedback and engagement survey, establishing a baseline in Commissioners' reported understanding of and engagement in the Commission's work and satisfaction with meeting logistics (staff support, meeting cadence, snacks/lunch, etc.).

Commissioner Alignment SMART Goals

Goal Area	SMART Goal
Commissioner/ CBH Staff Alignment	By July 31, 2026, establish a structured Commissioner Subject Matter Expert–staff engagement model that includes defined roles for committee participation, regular interaction opportunities, and coordinated communication practices.

Commissioner Alignment SMART Goals

Goal Area	SMART Goal
Commissioner / BH Community Education and Engagement	Beginning August 2026 , implement at least one strategic, program-aligned site visit or field engagement (and quarterly thereafter) that includes both Commissioners and staff to deepen shared understanding of funded programs and community impact. Key community partners/stakeholders include, but are not limited to, county behavioral health and their contracted providers, as well as entities from other relevant sectors (social services, housing, education, employment, criminal justice, etc.).

Commissioner Alignment SMART Goals

Goal Area	SMART Goal
Commissioner Education & Training Infrastructure	By September 30, 2026 , develop and deploy a comprehensive Commissioner Education Program within the Cornerstone learning management system, including modules on behavioral health systems, funding structures, statutory roles, Commission programs, and governance responsibilities. Ensure at least 90% of Commissioners complete required training modules by December 15, 2026, and integrate training into onboarding for all new Commissioners beginning immediately upon appointment. Evaluate effectiveness through post-training assessments, targeting an average knowledge gain of at least 25%.

Commission Forward

- Increase general public understanding and visibility of CBH and engage with purpose
- Increase county behavioral health (and their contracted providers) partnership with CBH and engage with purpose
- Build trust and relevance

Commission Forward SMART Goals

Goal Area	SMART Goal
Increase general public understanding and visibility of CBH and engage with purpose	By July 31, 2026 , use the updated Strategic Plan to develop and launch a Commission visibility and engagement strategy that clearly communicates the Commission’s role, priorities, and impact to the public. This will include refreshed messaging, coordinated use of the website and public-facing materials, and integration of stakeholder engagement into Commission activities.

Commission Forward SMART Goals

Goal Area	SMART Goal
Increase county behavioral health (and their contracted providers) partnership with CBH and engage with purpose	By June 30, 2026 , develop and launch a structured county and provider engagement strategy that clearly communicates the Commission’s role, priorities, and impact and defines how the Commission will partner with county behavioral health departments and their contracted service providers to inform and strengthen its work.

Commission Forward SMART Goals

Goal Area	SMART Goal
Build trust and relevance	<p>By April 30, 2026, establish a framework for building trust and relevance that includes leveraging the CBH advocacy grantees to improve stakeholder engagement in CBH committee and full commission meetings to ensure transparent communication of Commission activities and promote intentional inclusion of diverse perspectives into CBH planning and decision-making.</p> <p>Beginning in May 2026, integrate stakeholder voices into Commission work through mechanisms such as CFLC/CLCC meetings and listening sessions.</p> <p>By September 2026, evaluate progress through a stakeholder feedback and participation survey to establish a baseline in perceived trust, transparency, and relevance of the Commission’s work.</p>

Next steps

- Incorporate CBH Commissioner and Stakeholder Feedback from May 28, 2026, Full Commission Meeting Regarding Commissioner Alignment and Commission Forward SMART Goals
- Incorporate CBH Strategic Plan Update, and Explore Opportunities to Fold CBH Workplace Wellness Workgroup Efforts, into Commission 2.0 for Comprehensive Approach and Tracking
- CBH to Implement and Track Progress on Commission 2.0 Goals



Commissioner Discussion



Public Comment