



Behavioral Health Programs (BHP) –
Community Based Organizations (CBO)
Grant Program

Frequently Asked Questions (FAQ)
February 2026

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General Program Questions

Q:	Is there an email address for the CBO to contact with questions?
A:	CBOGrant@hcai.ca.gov

Q:	When does this grant end?
A:	This grant will operate from August 2023-June 2027

Q:	Will this program be extended beyond the 4 years?
A:	At this time, there are no plans to extend or re-offer this program.

Q:	How many application cycles will there be in a fiscal year and how long will each one be open?
A:	2 cycles per fiscal year (23/24, 24/25, and 25/26). Each length of the application cycle varies. Refer to emails received about each cycle.

Q:	What are the dates of the Fiscal Year?
A:	The Fiscal Year is from July 1 of the current year, to June 30 of the following year.

Q:	What are the dates the Annual Report will be open?
A:	July 1 st -July 31 st of each year. For fiscal year 26/27, it will be June 1 st -June 30 th .

Q:	Can someone who was hired in 2024 be awarded in 2025?
A:	Yes, for loan repayments, stipends, and scholarships, there are 2 application cycles per fiscal year (23/24, 24/25, 25/26) so as long as they apply during a cycle and are eligible, they can be awarded. Recruitment and retention bonuses are determined internally by the CBO in a separate process.

Q:	If applicants have questions, can they reach out to HCAI?
A:	Applicants must reach out to their employer (CBO) for any questions and if the CBO is unable to answer, the CBO can then reach out to HCAI.

Application Questions

Q:	Who applies during the cycle? Agency or employee?
A:	Employees of the agency

Q:	Do employees apply for all components during the cycle?
A:	No, the application cycles are for Loan Repayments, Stipends, and Scholarships only. Retention and Recruitment bonuses are done separately through an internal process created by the CBO. You will report on all awardees for all components during the Annual Report. Each CBO can decide which components to offer to their employees and will let HCAI know so we will only make those components available to the employees to be able to apply for.

Q:	What if we aren't currently collecting the demographic information?
A:	The employees will enter that information on the central application. When the CBO receives their applicant lists, they will have access to that information. This information will be requested on the retention and recruitment bonuses section of the final report. This information will need to be collected for those components internally.

Q:	What email account should employees use, work or personal?
A:	A personal email is preferred, but either one is acceptable.

Q:	What if the employees' profession isn't listed when completing the application?
A:	The employee should pick the profession closest to theirs or simply select 'Other', then type in their profession.

Q:	Does the employee need to provide any documentation such as transcripts or loan statements?
A:	HCAI will not require those documents, however, you as the CBO may require them as part of your program, internally. That is at the discretion of the CBO.

Q:	Can the employee list their organization as an additional contact?
A:	Yes

Q:	Is the Central Application required?
A:	Yes, the Application is required in order to issue an awardee a Loan Repayment, Stipend, or Scholarship. All potential grantees must complete an application in order to be eligible for an award.

Q:	Can employees apply for more than one component?
A:	Yes, they can apply for more than one of Scholarship, Stipend, or Loan Repayment but they can only be awarded 1 per fiscal year/service obligation. They can however receive a retention or recruitment bonus in addition to the Scholarship, Stipend, or Loan Repayment in the same fiscal year.

Q:	Can employees apply in more than one fiscal year?
A:	Yes, they need to reapply each time.

Q:	How do employees access the application portal?
A:	HCAI will email the link and instructions the day the cycle opens to the contacts of the CBO, who will then distribute the link to employees to apply.

Payment/Budget Questions

Q:	Can we only give out what is on our budget allocation from the application?
A:	No, the original budget allocation was your projected awards. We understand circumstances may change so you would reach out to us and send us a revised budget allocation showing any changes you made to the allocation and we will review it for approval.

Q:	When and how do we receive funds/payments?
A:	This program pays in arrears and payments are issued after the Annual Reports are completed. However, CBOs were provided 25% of their total award budget up front to help them get started with the program. CBOs must use up those funds before HCAI will begin issuing reimbursement payments. In July of each year, with the exception of FY 26/27 as it will be in June, there will be an Annual Report each CBO is required to complete detailing all expenditures from that fiscal year. Once those reports close, we will extract and input the data and anyone who has surpassed the initial 25%, will receive their next reimbursement payment. Please allow 4-6 weeks after the close of the Annual Reports for processing and for the State Controller to issue the payment. Any reports completed incorrectly or missing information will cause a delay in the payment.

Q:	Will we receive checks or wire payments?
A:	It will be a check mailed to the tax-associated address listed on the CBO's STD-204 form.

Q:	Can we shift dollar amounts or people between program categories and/or fiscal years, is that allowed and does HCAI need to approve it?
A:	Yes, you would let us know about the change on a budget revision and we would review it. Unspent funds can be rolled over to another fiscal year, except Recruitment Activities (Maximum \$1,250 total per year, not to be confused with Recruitment bonuses)

Q:	Do any changes to the budget need HCAI Approval?
A:	Yes, all changes need to be communicated to HCAI and we will review.

Q:	Do the payments need to be made in the same fiscal year that they are chosen or when should the payments be dispersed?
A:	<p>CBO's will issue payments at their discretion. They do not need to be made within in the same fiscal year, but they do need to be dispersed by the end of the Grant program, June 30, 2027, in order to be reimbursed. Any payments issued after June 30, 2027 will not be reimbursed.</p> <p>Some CBOs choose to award up front, some pay it out monthly, some do half up front and half at the end of the service obligation, and some pay it all at the end of the obligation. It is entirely up to the CBO how to manage payments to employees. Please ensure that the CBO reports the actual expenditures on the Annual Report in the fiscal year that the payment is issued.</p>

Q:	Are loan repayments paid directly to the employee or to the loan provider and do they need to provide proof of the loan?
A:	That is at the discretion of the CBO and how they want to handle payment allotment. Requiring proof is also at the CBO's discretion.

Q:	Are payroll taxes billable to HCAI to be reimbursed?
A:	No, payroll taxes are not billable to HCAI. You would need to contact a tax professional for further information.

Q:	Will HCAI provide the awardees tax forms?
A:	HCAI will not be providing any tax forms or tax advice. Please consult with a professional tax consultant for any tax related questions.

Q:	Does HCAI pay the awardees directly?
A:	No, all payments to your awardees are made by the CBO. HCAI reimburses the CBO.

Awards, Limitations, Qualifications Questions

Q:	Who determines which employees get the awards?
A:	The CBO will receive a list of all applicants after the application cycle closes, and will make award determinations at their discretion.

Q:	Will HCAI provide a list of eligible employees to pick from?
A:	Yes, after the application cycle closes, HCAI will pull the list of applicants and cross-check to see if they have any conflicting service obligations with any HCAI Grant programs, including this one. Then we will provide a list of the applicants to the CBO indicating if they are eligible or not.

Q:	Can we factor internal knowledge in our decisions of who to award?
A:	Yes, the criteria you want to use towards the decision of who to award is entirely up to the CBO. We have a Resource Guide we can provide that offers examples of what you could take into consideration as well but any internal knowledge you have of your employees can also be factored in.

Q:	Who notifies the employees they are being selected as an awardee and when do they need to be notified?
A:	The CBO would notify their awardees. The CBO can notify their awardees any time after receiving the applicant list and making their award determinations. HCAI does require the CBO to notify HCAI of their awardee decisions by a certain date in each cycle, which can be found in the "Timeline Dates" chart in the Applicant Report & Secure File Transfer Processes Guide that is emailed out for each cycle. The CBO does this by uploading the awardee list to the SFT portal.

Q:	Are there any requirements for any of the components?
A:	Yes, HCAI has requirements and limitations in place for CBOs to follow. These can be found in the Grant Agreement and Grant Guide. Additional criteria would be up to the CBO to decide, if they choose to.

Q:	You stated there is not an application cycle for fiscal year 26/27. Will new awards be allowed to be issued in 26/27?
A:	New recruitment and retention bonuses will be allowed since those are not handled through our application system. There will not be an application cycle in FY 26/27 so any Loan Repayments, Stipends, or Scholarships issued during 26/27 would be from previous

	<p>cycles/FYs to finish paying out the award. For example, an awardee from cycle 5 finishes their obligation in January of 2027 and a CBO then issues their payment. The payment was dispersed in 26/27 so that's the fiscal year they would be reporting it on the Annual Report.</p> <p>If someone has not applied by the close of Cycle 6, then they will not be able to receive an award. There will be no additional opportunities to apply after Cycle 6.</p>
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Q:	Is there a limit on how many employees can receive awards?
A:	Yes, it is 25 employees or 25% of your total workforce, whichever is higher. No exceptions. This can be found in your Grant Agreement in Section C. 'Scope of Work and Deliverables' under 'Budget Restrictions.'

Q:	If an employee receives more than one award over the duration of the grant, i.e. one each fiscal year, do they count as multiple awards or one?
A:	They would count as one employee towards the total number of employees allowed to receive awards (25 or 25% of the total workforce, whichever is higher). However, they would need to be counted as an award for each fiscal year they are awarded and be reported on each Annual Report for the corresponding fiscal year they received funds.

Q:	Do awardees of loan repayments, stipends, and scholarships need to be providing direct patient care or can they be managers and supervisors?
A:	Yes, they need to be providing direct patient care or supervising those that provide the direct care services.

Q:	Can we use funds for contractors?
A:	No, they must be employees of the CBO.

Q:	Are awardees required to fulfill a service obligation? If so, when does it begin?
A:	Yes, all HCAI awardees are required to commit to a service obligation in exchange for the award. For this CBO Grant Program, a 12-month service obligation is required. The obligation begins after the CBO determines the employee is being awarded in the current application cycle but the exact start date would be at the CBO's discretion. All service obligations must start no later than June 30, 2026 in order to conclude by June 30, 2027. Additionally, the awardee cannot have any conflicting service obligations with any HCAI program or from receiving an award in this program in a previous cycle. They must complete one obligation to begin the next one. Please note, Cycle 5 awardees will not be eligible to receive awards in Cycle 6 as they will not be able to complete both obligations by June 30, 2027.

Q:	Can we count time already worked towards the service obligation?
A:	No, the service obligation needs to begin after you select the applicant as awarded in the current application cycle. All service obligations need to conclude by June 30, 2027.

Q:	For Retention Bonuses, do the 5 years or more of service have to be with the organization or can it include service in the industry field?
A:	It would be five or more years employed by the CBO, the organization. One or more years for Substance and Alcohol Abuse Counselors.

Q:	Can employees be awarded in back-to-back cycles?
A:	Each award for Stipends, Scholarships, and Loan Repayments requires a 12-month service obligation. As long as they can complete all obligations by the end of the program, June 30, 2027, then they can receive multiple awards. The only exceptions are Cycles 5 and 6. Awardees in these 2 cycles will not be able to complete two 12-month obligations by June 30, 2027 due to the timing of the cycles and the end of the program. Obligations cannot overlap.

Q:	Can employees be awarded multiple awards in the same year?
A:	Employees can receive a Retention OR Recruitment Bonus in addition to one Stipend, Scholarship, or Loan Repayment in one 12-month period. However, they cannot receive more than one Stipend, Scholarship, or Loan Repayment in a 12-month period. They must complete the 12-month service obligation before receiving an additional Stipend, Scholarship, or Loan Repayment. For example: You cannot award an employee a Stipend and Loan Repayment in the same 12-month period. You can award a retention bonus and loan repayment in the same 12-month period.