



**BOARD OF SUPERVISORS  
AGENDA LETTER**


**Agenda Number:**

**Clerk of the Board of Supervisors**  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Submitted on:**  
**(COB Stamp)**

**Department Name:** Behavioral Wellness  
**Department No.:** 043  
**Agenda Date:** December 17, 2024  
**Placement:** Administrative  
**Estimated Time:** N/A  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

**TO:** Board of Supervisors

**FROM:** Department Director(s): Antonette Navarro, LMFT, Director   
Department of Behavioral Wellness, 805-681-5220

Contact Info: Carla Cross, **MA, LMFT, ATR-BC**, Manager of Clinical Training and Special  
Projects, Workforce Education and Training  
Department of Behavioral Wellness, 805-681-5367

**SUBJECT:** Department of Behavioral Wellness Staff Master of Social Work Scholarship Program  
Educational Assistance Program and Participation Agreement Template

**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**County HR Concurrence:**

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors:

- a) Approve, ratify, and authorize the Director of the Department of Behavioral Wellness or designee the authority to execute the Department of Behavioral Wellness Staff Master of Social Work (MSW) Scholarship Program Educational Assistance Program (the "Plan"), effective January 1, 2024, through December 31, 2029;
- b) Within existing funding, approve, ratify, and authorize the Director of the Department of Behavioral Wellness or designee to execute participation agreements with Staff MSW Scholarship Program Educational Assistance Plan awardees ("Awardees") for a maximum scholarship award of \$25,000 in substantial compliance in form and content with the attached Department of Behavioral Wellness Staff MSW Scholarship Educational Assistance Program Participation Agreement template ("Participation Agreement") through December 31, 2029;
- c) Delegate to the Director of the Department of Behavioral Wellness or designee the authority to execute amendments to the above Plan and the above Participation Agreement(s) without having to return to the Board for approval, provided that concurrence is first obtained from Risk Management, Auditor-Controller, and County Counsel, and subject to the Board's authority to rescind this delegated authority at any time; and
- d) Determine that the above actions are government funding mechanisms or other government fiscal activities, which do not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment, and are organizational or administrative activities of

the government that will not result in direct or indirect physical changes in the environment and is therefore not a project under the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(4) and (b)(5) of the CEQA Guidelines.

**Summary Text:**

This item is on the agenda to request that the Board of Supervisors (“Board”), within existing funding, approve, ratify, and authorize the Director of the Department of Behavioral Wellness or designee to execute participation agreements with Staff MSW Scholarship Educational Assistance Program awardees (“awardees”) for a maximum scholarship award of \$25,000. This Plan supports BWell staff to expand their education and receive MSW degree to provide services to its clients.

**Background:**

The Santa Barbara County Behavioral Wellness Department (“BWell”) is establishing a Staff MSW Scholarship Program (“Plan”) as a Workforce Education and Training (“WET”) component of Santa Barbara County’s Mental Health Services Act (“MHSA”) Three-Year Program and Expenditure Plan for Fiscal Year (“FY”) 2023-26 (the “MHSA Three-Year Plan”). The MHSA Three-Year Plan containing authorization for the Plan and authorizing the funding was previously submitted to the Board and adopted on June 27, 2023. .

BWell is now requesting the Board’s approval of the Plan and the participation agreement template which will be utilized with scholarship awardees. The Plan has been developed to implement the Plan and provides for certain payments to Awardees in accordance with the terms of Internal Revenue Code (“IRC”) Section 127. For payments made to employees under the Educational Assistance Plan each calendar year, under IRC Section 127 the County may exclude from the wages of such employee an amount up to the maximum amount allowed under IRC Section 127 (which in 2024 is \$5,250 per calendar year), if certain requirements are met. This Plan is designed to be a Qualified Educational Assistance Program in compliance with the provisions of IRC Section 127.

The goal of the Plan and the Educational Assistance Plan is to increase the number of BWell employees who have obtained a Master of Social Work (“MSW”) degree and encourage BWell employees who have earned an MSW degree to continue their employment with BWell. This Plan addresses workforce shortages given that staff with an MSW degree have been identified as hard-to-fill positions. Clinical social workers (licensed social workers with an MSW degree) bring a different perspective to working with BWell’s clients, and increasing this category of licensed staff within BWell will bring a benefit to the services that are provided and BWell’s clients. This will also ultimately assist BWell in providing the required clinical supervision for its clinical social worker associates who are required to be supervised by licensed social workers with an MSW degree for a set number of hours of experience.

At the time an applicant applies for the Scholarship and at the time a Scholarship is awarded, the applicant/awardee must be a full-time, regular employee of BWell for at least one year, completed the initial new employee probationary period, and is in good standing within their employment (no disciplinary actions within the past year and with a minimum scoring of “successful” on the most recent employee performance review completed within the past year).

Awardees will be selected through a competitive application process. Applications will be reviewed and scored by the WET Scholarship Review Committee. The WET Scholarship Review Committee may include representatives from underserved ethnic/cultural populations, consumer or family members, and/or members of BWell staff. Applications are scored using an objective scoring rubric. Selection is based on an individual’s personal background and experience, commitment to the principles of MHSA, language skills, ability to work with diverse populations, and professional goals. Emphasis is placed on supporting future clinicians from underrepresented cultural and linguistic groups.

Each awardee of a scholarship will receive up to \$25,000 towards Eligible Costs of an MSW graduate degree program. Awards in each fiscal year will be disbursed based on the awardee’s selected payment plan. The program will award scholarships to four employees in calendar year 2025 (round one) and another four employees in calendar year 2026 (round two) for a total of eight scholarships. Each award will be up to \$25,000

for a maximum total amount of \$200,000 for both rounds. Round one payments will begin in early year 2025 and round two payments in early year 2026. .

Each scholarship award bestowed by BWell, pursuant to the provisions of the Plan ("Scholarship Award"), to an Awardee shall consist of the reimbursement to the Awardee of Eligible Costs incurred by the Awardee in seeking an MSW degree at an Eligible Institution (as defined below), up to a maximum reimbursement amount to be established by BWell from time to time for Eligible Costs ("Maximum Award"). If total Eligible Costs are less than the Maximum Award, then only the actual amount of Eligible Costs will be reimbursed. In no instance shall the total obligation of BWell exceed the Maximum Award.

After all studies leading to the granting of an MSW degree have been completed and an MSW degree has been awarded to Awardee, Awardee shall be required to seek, accept and maintain full-time employment as a Practitioner Associate, or a comparable direct clinical service position, with BWell ("Qualified Employment"), within 180 days after the MSW degree is awarded. In the event no Qualified Employment is available, or Awardee is not selected by BWell to fill an open position, then Awardee shall be required to seek, accept and maintain full-time employment as a Practitioner Associate, or a comparable direct clinical service position, with an agency that has contracted with BWell to provide clinical services (a "Service Agency") (also, "Qualified Employment"), within 180 days after the MSW degree is awarded. Employment with a Service Agency where Awardee has failed to comply with the above requirements shall not be considered Qualified Employment.

Awardee shall maintain full-time Qualified Employment for a period of twenty-four (24) months after such employment begins. Should Awardee fail to obtain full-time Qualified Employment within such 180-day period and/or fail to maintain full-time Qualified Employment for a period of twenty-four (24) months after such employment begins, either due to the absence of open positions or otherwise due to circumstances outside of the control of Awardee and through no fault of Awardee, then BWell may, in its sole discretion, agree in writing to postpone, alter, or partially or fully waive such employment requirement. Such employment requirement shall be waived in the event of the death or permanent disability of the Awardee during such time period.

While BWell generally offers clinical internship and traineeship opportunities, there is no guarantee that a placement will be provided within BWell's programs or clinics. Arranging internships or traineeships is the responsibility of the Awardee.

In the event an Awardee is in breach of the Participation Agreement, BWell may terminate the Participation Agreement after giving the Awardee ten (10) days' advance written notice of its intention to so terminate. In the event the Participation Agreement is terminated by BWell, or if Awardee fails to comply with all of the terms of the Participation Agreement and no modification, postponement, waiver or other requested relief is granted by BWell as provided in the Participation Agreement, then BWell may, in its sole discretion, refuse to make any further Scholarship payments otherwise due under the Participation Agreement and, in its sole discretion, may require Awardee to refund to BWell all Scholarship Award amounts previously paid by BWell under the Participation Agreement. In that event, the Awardee must enter into a refund payment plan (the length of which shall be negotiated by the parties but shall not exceed 12 months) within thirty (30) days after Awardee's receipt of written notification from BWell of Awardee's breach of the Participation Agreement or failure to comply with the terms of the Participation Agreement, and BWell's request for reimbursement. If the post-degree work obligation has been partially completed prior to the breach of the Participation Agreement, then the amount required to be returned to BWell will be pro-rated based on the percentage of the 24-month work obligation that has been completed prior to the breach.

An "Eligible Institution" is defined as an accredited educational institution offering an MSW degree. "Eligible Costs" are defined as tuition and fees charged by an Eligible Institution to an Awardee for attending each course required by such institution for the award of an MSW degree, together with any textbook costs associated with each such course. Eligible Costs include such costs that are incurred at an Eligible Institution in an MSW program by Awardee both prior to and after the Scholarship Award. The following costs are **not** considered Eligible Costs: (a) parking fees, (b) mileage reimbursement, (c) professional fees, (d) insurance premiums, (e) child care, (f) tuition or fees not charged by an Eligible Institution, (g) tuition or fees for any course that is not included within the MSW degree, (h) tuition or fees for any course that Awardee dropped or did not complete, and (i) educational costs that are reimbursed through other sources (such as Santa Barbara County's Textbook and Tuition Program, the Santa Barbara County Employee Development

Reimbursement Program, Pell Grants, Cal Grants, Department of Rehab, and other scholarships, grants, stipends or other non-loan funding sources).

1. **Payment Procedures.** Eligible Costs reimbursement payments shall be made by BWell directly to the Awardee once Awardee has complied with the procedures set forth below and with the other provisions of this Agreement, and BWell has confirmed that Awardee is entitled to reimbursement under the terms of this Agreement. No payment shall be due in the event Awardee has not complied with the procedures set forth herein and with the other provisions of this Agreement. Awardee agrees to comply with the following fund disbursement procedures for the reimbursement of Eligible Costs by providing BWell with:

- a. Proof of enrollment in an MSW program at an Eligible Institution.
- b. An invoice or other proof of billing from the Eligible Institution for tuition and fees.
- c. A transcript demonstrating all courses in which Awardee was enrolled at the Eligible institution relating to the MSW program, and the grade obtained in each such course.
- d. A payment request form to be provided by BWell ("**Payment Request Form**") in which the Awardee requests the amount of Eligible Costs to be reimbursed and selects whether payment is to be made in accordance with the provisions of Section 9(a)i. of this Agreement (a lump sum payment) or in accordance with the provisions of Section 9(a)ii. of this Agreement (recurring payments).

2. **Payment Schedule.**

- a. Scholarship payment for Eligible Costs incurred by Awardee shall be made in one of the following two ways for each payment due to Awardee based on the option selected by Awardee in the corresponding Payment Request Form, which is submitted to BWell:
  - i. Lump Sum Payment – If the lump sum payment option is selected in the Payment Request Form, then Scholarship payment for Eligible Costs incurred by Awardee which are referenced within the Payment Request Form and are due under the terms of the Participation Agreement (up to the Maximum Award for Eligible Costs in the aggregate) shall be made within ninety (90) days after BWell's receipt of the Payment Request Form and all supporting documentation from Awardee. Payment will be disbursed through the normal payroll process if Awardee is an employee of BWell at the time. Disbursements up to the maximum amount allowed by the IRS, which is \$5,250, will be non-taxable, amounts over the maximum amount is taxable. This will be processed using two different earning codes.
  - ii. Recurring Payments - If the recurring payments option is selected in the Payment Request Form, then Scholarship payment for Eligible Costs incurred by Awardee which are referenced within the Payment Request Form and are due under the terms of the Participation Agreement (up to the Maximum Award for Eligible Costs in the aggregate) shall be made on a recurring calendar year basis in an amount not to exceed the maximum amount allowed under Internal Revenue Code Section 127 and this Qualified Educational Assistance Plan (which in 2024 is \$5,250 per calendar year) for the calendar year in which the Payment Request Form is submitted, less any other

educational reimbursements made to Awardee by the County of Santa Barbara during such calendar year. The initial payment shall be made within ninety (90) days after BWell’s receipt of the Payment Request Form and all supporting documentation from Awardee. Thereafter, payment (subject to the limitations above) will be made annually in January of each year until full payment of any amounts due are paid. Payment may be disbursed through the employee reimbursement process if Awardee is an employee of BWell at the time or through payroll as a reimbursable expense.

- b. Upon completion of full-time Qualified Employment for a period of twenty-four (24) months, Awardee is entitled to the maximum reimbursement of \$5,250 per calendar year. In the event that Awardee resigns from BWell, BWell may, at its sole discretion, pay the remaining balance in a lump sum payment on Awardee’s final paycheck.
  - i. Please note, this option is not automatic as payroll deadlines will need to be honored. If the employee terms after the payroll deadline for their final pay period, but before the pay period is over, this cannot be accommodated. Likewise, if the department does not submit a payroll adjustment by the deadline, this cannot be honored. In addition, a lump sum final payment would likely be taxable and will need to be on the employee’s W2. If for any reason, this cannot be accommodated in the employee’s final paycheck, and still gets paid to the employee, payroll must be informed.
- 3. Payments will only be made directly to the Awardee and not to an institution or any person or entity other than the Awardee. BWell shall be entitled to withhold from any payment any amounts required to be withheld by applicable law. It is the responsibility of the Awardee to understand the tax implications of each payment distribution option, and if necessary, to consult with a tax professional. Awardee is responsible for any tax obligations (if any) arising from the funds dispersed by BWell pursuant to this Agreement including, but not limited to, any amount received under an educational assistance program that is not a “qualified program” under Internal Revenue Code section 127 and 26 Code of Federal Regulations section 1.127-2. Awardee acknowledges that the County has not applied to the Internal Revenue Service for a determination that the plan is a qualified

**Fiscal and Facilities Impacts:**

**Budgeted:** Yes.

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>FY2024-25 Cost</u></b>	<b><u>FY2025-26 Cost:</u></b>	<b><u>Total One-Time Project Cost</u></b>
General Fund			
State	\$100,000.00	\$100,000.00	\$200,000.00
Federal			
Fees			
Other:			
<b>Total</b>	<b>\$ 100,000.00</b>	<b>\$ 100,000.00</b>	<b>\$ 200,000.00</b>

**Narrative:** This Plan was approved in the Fiscal Year 2023-24 MHSA Plan Update. It is included in the Fiscal Year 2024-25 Adopted Budget.

**Key Contract Risks:**

There is a risk that after receiving a Scholarship Award the Awardee may no longer maintain their employment with the Department of Behavioral Wellness as required by the Participation Agreement, but in that instance, there are provisions within the Participation Agreement that provide for the return to the County of all or a pro-rata portion of the scholarship amount awarded, subject to certain terms of the Participation Agreement.

**Special Instructions:**

Please return a copy of the Minute Order to Victoria Lee at [Vlee@sbcbswell.org](mailto:Vlee@sbcbswell.org) and to the BWell Contracts Division at [bwellcontractsstaff@sbcbswell.org](mailto:bwellcontractsstaff@sbcbswell.org).

**Attachments:**

**Attachment A** – Department of Behavioral Wellness Educational Assistance Program, Staff  
MSW Scholarship Program

**Attachment B** – Staff MSW Scholarship Program Educational Assistance Plan  
Participation Agreement Template.

**Authored by:**

Michael Purvis / Carla Cross