Mental Health America

Strategic Plan

2020-2022

EXECUTIVE SUMMARY

MHA was founded in 1909 by Clifford W. Beers, a person with lived experience of serious mental illness. The modern nonprofit was formed in 1949. We became the National Mental Health Association until we rebranded as Mental Health America in 2006. The MHA network is listed by the Nonprofit Times as the 60th largest nonprofit organization in the nation.

We promote mental health through prevention for all, earlier identification and intervention for those at risk, and integrated services for people who need them, with recovery as the goal. Our philosophy is captured by our trademarked B4Stage4 brand, which argues that the most effective chronic disease interventions usually occur before stage four.

We intend to sustain and build on our efforts that have been launched in recent years, mostly under our B4Stage4 umbrella – screening/s2s; public education built around Mental Health Month and other seasonal opportunities; social media engagement to grow our constituencies; Clifford Beers Society membership; RPC efforts in conjunction with NCSL, NGA, ALEC, and CSG; recovery-oriented peer support activities; our annual State of Mental Health in America reports; our annual conference, pre-conference, and policy institute efforts; our affiliate and associate membership; partnerships, including with advocacy organizations working in other chronic disease spaces; and more.

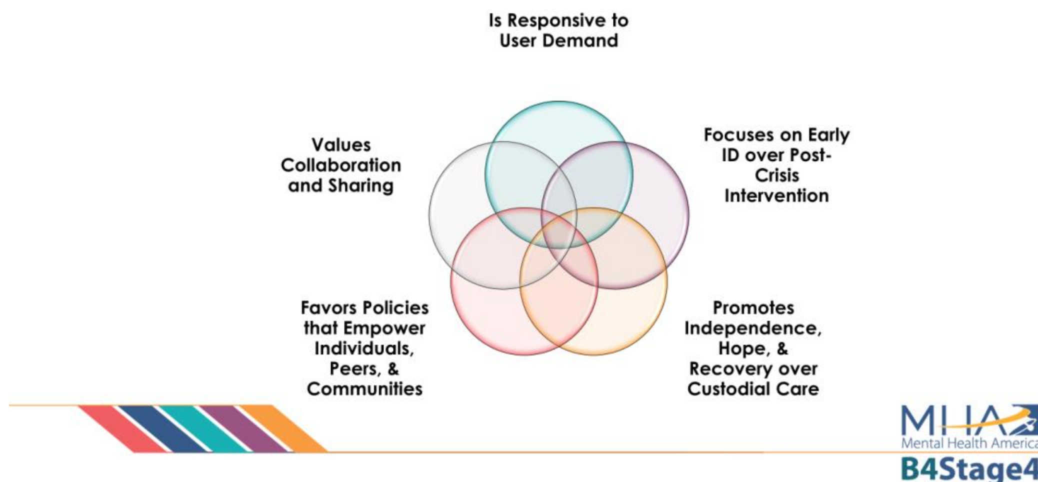
We also intend grow our organizational reach with new investments in the following critical areas of need:

- Developing youth-directed peer-to-peer support initiatives and interventions;
- Promoting workplace mental health through certification and other activities;
- Enhancing mental health policy efforts at the federal and state levels.

Entering this period, we already engage with more than 750,000 through social media followers, 1 million screeners per year, 1.5 million s2s users, and roughly 10 million web site users. We reach many millions more through affiliates, associates, and partners. We anticipate continuing growth in our reach in the future.

INTRODUCTION

Mental Health America (MHA), founded in 1909, established its current statement of mission in 2014 as "prevention for all; early identification and intervention for those at risk; integrated health, behavioral health, and other services for those who need them; with recovery as the goal." We trademarked "B4Stage4" as an overall message and programmatic frame, arguing that "as a matter of public policy by applying a non-clinical 'danger to self or others' standard as a trigger to treatment, we have made mental illnesses the only chronic diseases that we wait until stage 4 to treat, and then often inappropriately only through incarceration. We need to act before stage four." Combined with affiliate revenues, Nonprofit Times considers the MHA network the 60th largest nonprofit organization in the nation. We believe that mental health is critically important, and that all mental health conditions should be taken and treated seriously.



Landscape

There has been an uptick in interest in mental health during the past five years, including in passage of the 21st Century Cures Act.

MHA has worked collaboratively in the mental health/mental illness space with many others. MHA's conference has featured athletes, celebrities, and other influencers who talk openly about mental health. Non-traditional corporate partners, such as Riot Games, Burger King, Netflix, Hot Topic, Hulu, and more, reached out to MHA with partnership opportunities that would not have occurred just a few years earlier. We are active participants and the only member of Leadership 18 – a consortium of two dozen of the most esteemed nonprofit organizations in America – that focuses entirely on mental health. We are active participants and one of two members of the National Health Council – the consortium of the most influential "patient advocacy" organizations in the country – that focus primarily on mental health. We have worked closely with other national and international organizations on policy and programs.

MHA's upstream or "B4Stage4" space distinguishes it from other advocacy organizations that focus more on specific diseases, deep end services, and either crisis or post-crisis care and treatment. Our

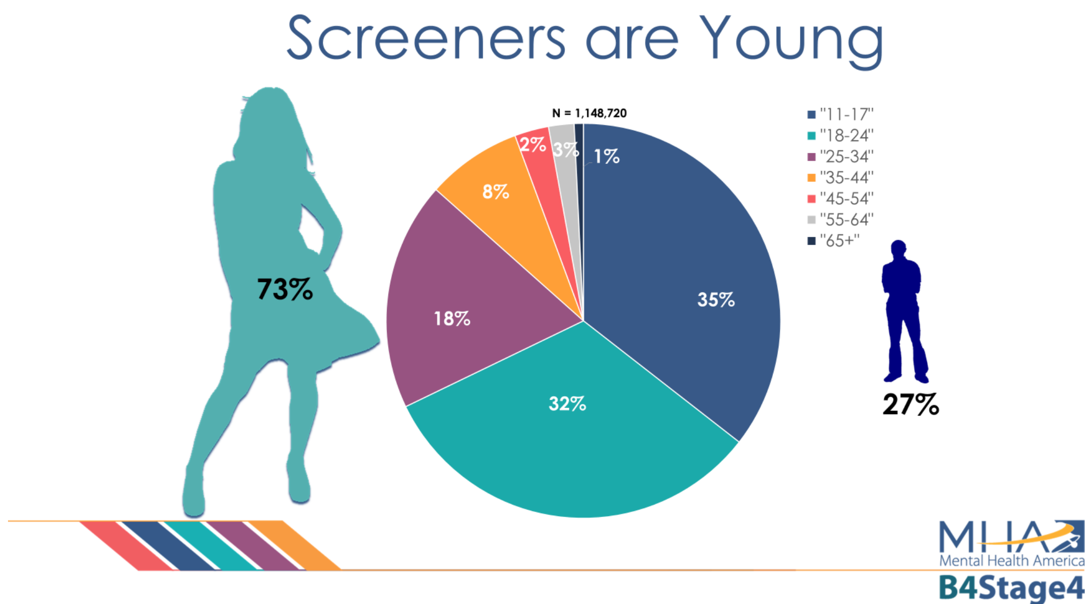
recovery focus also distinguishes us from those primarily interested in the improvement of custodial care in hospitals and prisons.

Our social media presence is a strength – with a combined 750,000 across multiple platforms the largest among mental health advocacy organizations. As of late 2019 the 325,000 Twitter followers we had were more than those of the six other best-known national mental health advocacy organizations combined.

MHA has worked effectively within collaborations around behavioral health, workplace mental health, school-based services, policy, prevention and public health, and chronic diseases. MHA will maintain these, and is working to develop additional partnerships with media, educational, and other organizations to build on our efforts in new areas.

Audience

Analysis of our web, social media, and screening audience suggests that our constituency is primarily female and under the age of 35.



Our constituency is also diverse. A third of screeners describe themselves as members of racial or ethnic minority groups. Substantial numbers of screeners also self-identify as LGBTQ, caregivers, active duty/veterans, young mothers, students, trauma survivors, and more. Significant numbers report having other chronic conditions – something that is helping to drive our efforts to promote better integration of health and behavioral health services and care.

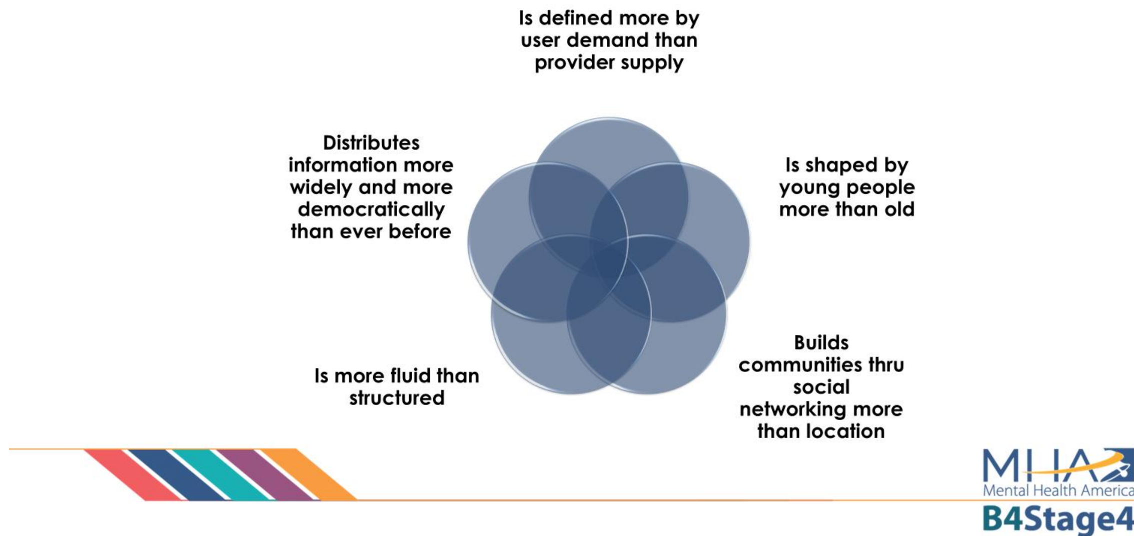
In 2018, MHA analyzed patterns of 7 million website visitors and developed a dozen personas to capture segments of our population. We use these personas to target activities, messages, and programs more precisely to the segment of our constituency that is most interested in and receptive to them.

MHA's Business Approach, Brand Model, and Corporate Culture

Our approach, culture, and brand model are designed to be responsive to the interests and needs of our major constituencies. We believe both that trained professionals are indeed experts in mental health

and that all people are experts with respect to their own lived experiences. We often note that when a clinician and patient are together, there are two respected experts in the room.

While MHA itself is small, the Nonprofit Times regards the MHA network as the largest mental health "organization" in the nation. Many large, national, nonprofits place having a single brand identity above all else.



The strength of our brand is in its inclusiveness and the flexibility it gives to individual programs and local affiliates to brand in a way that is targeted to their own markets and constituencies. This approach has allowed us to bring IDONTMIND under our corporate umbrella, create new initiatives such as the Center for Peer Support, and allowed affiliates freely to rename, reorganize, and rebrand themselves. This approach has led to increases in web traffic, social media following, and high-impact, one-off marketing initiatives – in other words, a stronger and more widely recognized MHA brand. We believe that ***younger people are less tied to traditional brand-name identity than ever before***.

MHA has trademarked its bell logo and B4Stage4 because they have deep meaning for us. We allow affiliates and associates to use those marks freely, and we have given permission to media and other partners to use forms of "B4Stage4" as well. We intend to preserve those trademarks, defend our right to use similar marks, and monitor other trademark applicants whose marks may infringe on ours.

In our corporate culture, we place high value on independent thinking, emotional intelligence, and innovative approaches to solving problems and challenges. We attempt to create a trusting environment and incorporate the flexibility that is needed to respond quickly to changing times, current events, and emerging opportunities.

Governance

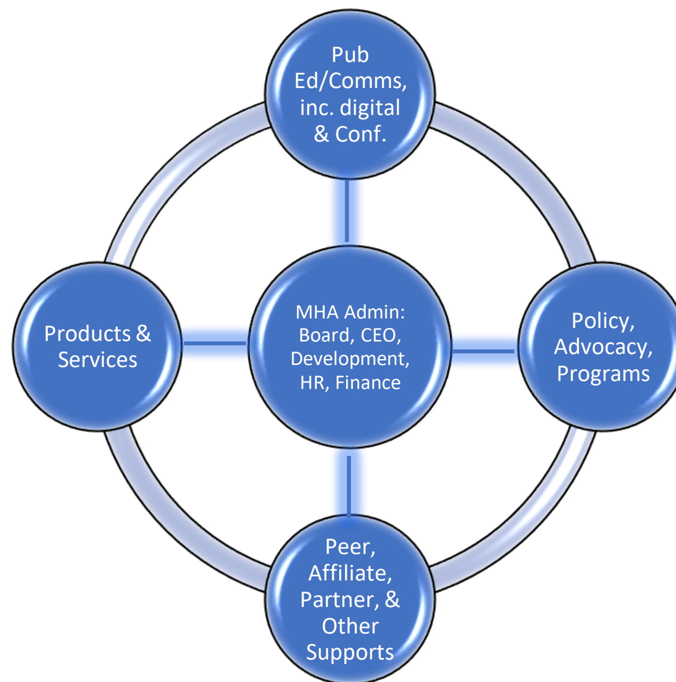
MHA is led by an 18-member board elected by the Delegate Assembly to three-year terms. Three officers may or may not fill regular board seats. Board members reflect the diversity of perspectives found in our core constituencies and the communities that serve and support them. We balance board

membership by gender, age, perspective, business and professional experience, background, region, identification within minority populations, and other factors. Our board gives us singular credibility among national advocacy organizations because of its strength and the reputation of its members.

Administrative Structure, Staffing, and Support

As of 2019, MHA's total staff count was 27, led by a President and CEO who was recognized by the Nonprofit Times in 2019 as one of the top fifty nonprofit leaders in the nation. Our staffing is adequate to meet current needs. Anticipated revenues will support modest staffing expansions anticipated in this plan. We pay competitive salaries for our area, and we have been able to make up ground against competition by increasing salaries during the past three years. Our turnover rate is low.

Our staffing is organized by pods, with most staff duties aligned with a program or service-related pod. Twenty-two staff members work ***primarily*** in a program or service-related area, two work primarily in fundraising/development, and three (the CEO, Chief of Staff/VP of Finance, and VP of HR and Office Services) work primarily in management and administration. All staff members have flexible skills to support or advance efforts in addition to their main areas of focus.



We lease and occupy 7000 square feet of office space in a desirable location in Old Town Alexandria, which will allow for planned growth over the next three years. Our lease runs into 2028. Some staff work remotely. As of late 2019, staffers were working remotely from Florida, Colorado, California, Pennsylvania, Georgia, and Austria. Our "virtual" office – our website – was modernized and upgraded in 2019, and we have claimed www.mhanational.org as our domain.

KEY METRICS FOR THIS PLAN

MHA aims to be the most visible and influential mental *health* advocacy organization in the nation. Consistent with our constituents' interests and activities, we have chosen to track some measures of success. We believe that achieving most or all will assure our success – and financial stability.

Web traffic: We anticipate a base of 10 million web site visitors in 2019. Our target for 2022 – based on recent growth patterns resulting from our business efforts – is 13 to 15 million.

Screening/s2s traffic: We anticipate a base of 1 million screeners and 8 million s2s visitors per year (1.5 million unduplicated) at the close of 2019. As we enter the new business plan period, screening is stable and s2s is still an evolving program. We have set targets of 8 million completed screenings by the end of 2022, and an additional 10 million s2s users per year by the end of 2022.

Social Media followers: Our combined social media following grew to more than 750,000 by late 2019, with our combined Facebook, Twitter, Instagram, IDONTMIND, and LinkedIn followers exceeding those of other national organizations. We have set a 1 million target by 2022.

Email/phone list: Our active email list grew from 25,000 in 2014 to 70,000 in 2019. We regularly gather new email addresses and cell phone information when people download reports from our website, and we have set a target of 100,000 by 2022.

Peers credentialed: We intend to continue to pursue our peer credentialing program, with a target of 5000 credentialed peers by 2022. Should we fall short, we have discussed contingencies/options that are laid out in the business plan.

Conference attendees: We intend to grow overall conference participation from 750 in 2019 to 1000 in 2022.

Number of affiliates and associates: We intend to maintain an affiliate base of approximately 160-170 affiliates, while setting a target of increasing our associate member base from 30 to 100.

Mental Health Month (MHM) downloads (plus MMHM, MIAW, Back-to-School (B2S)): We achieved nearly 22,000 MHM downloads in 2019, our baseline moving forward. Based on growth patterns, we anticipate that this could grow to more than 35,000 downloads by 2022. There will be additional B2S, Minority Mental Health Month, Mental Illness Awareness Week, and other downloads.

Twitter impressions: We are working toward an increase from 18 million impressions (baseline, per year) to 25 million impressions (not including special campaigns, such as Burger King Real Meals).

Facebook monthly reach: We are working toward an increase from 675,000 per month (total 8 million per year) to 1 million per month (total 12 million per year).

Instagram interactions: We are working toward an increase from 300,000 interactions per year to more than 1 million, and an increase in followers from more than 90,000 in late 2019 to more than 250,000 by the end of 2022, with appropriate scaling beyond that.

Google: We expect Google AdWords clicks to increase from a baseline of 40,000 (2018) to 60,000, and impressions to grow from 815,000 (2018) to 1.2 million.

PROGRAMS

Corporate Support

We receive corporate support from both healthcare and non-healthcare industry partners. These dollars are generally restricted to the support of specific initiatives. Our goal is to assure that corporate support from foundations goes no higher than the 25-50% quartile of overall revenue, with a target at the low end of that percentage.

Screening/s2s

With more than a million screeners per year and 1.5 million visitors (with 6 million visits) to our s2s program site during its first year of operation (2018) screening/s2s remains a growing area for us. Our screening database will include more than 5 million completed screens as of 2020, making it the largest and potentially most valuable database characterizing a help-seeking but not yet diagnosed population. Two-thirds of screeners are under the age of 25; one-third are between 11 and 17 years of age. The program (which includes screening and post-screening resources) did not exist in its current form until 2018 and did not exist at all until 2014.

We believe that there is significant potential for further growth here, including partnership, research and discovery, and other data-mining opportunities as we continue to increase the size and complexity of our screening/s2s databases. Among areas of consideration are (1) a continued effort to "norm" our data (from what is considered a "convenience" or "opportunity" sample) against randomized data sets to make the data set more useful to corporate, university, governmental, and other researchers and planners, (2) additional refinements of the demographic questions we ask, (3) inclusion of sub-questionnaires for special populations, and (4) further customization of s2s algorithms.

Mental Health in America Report

Our annual "State of Mental Health in America" data book/report has high visibility with thousands of media references to it each year. We will continue to publish it and to seek additional support for it.

Mental Health Month and Related Activities

Mental Health Month has been, since we created it in 1949, MHA's and the nation's most pervasive mental health awareness program. We produce new content each year and share it widely with others. We produce additional original content for Minority Mental Health Month, Mental Illness Awareness Week, and World Mental Health Day (which was founded at MHA in 1992). We also produce "Back to School" content annually, and "Life on Campus" materials.

RPC

The RPC program includes regular meetings in concert with NCSL, ALEC, CSG, and NGA national meetings, as well as webinars and state-based advocacy. It is increasingly popular with policy leaders and funders with state-specific concerns.

There is more potential for growth in this program as states continue to face mental health policy challenges related to insurance parity, safe firearms use, substance use overdose, systems integration, housing, employment, and educational policy. We currently offer paid registrations from outside MHA, but this has not been an area of emphasis. While attendance has grown to the 75-100-person range, we may grow the program further by expanding marketing to more outside parties.

SSDC

It’s My Life Social Self-Directed Care (SSDC) has received grant support for several years. It is important to us and our mission. Through it, individuals with serious mental illnesses are given tools and resources to define and meet their immediate and long-term goals. We will continue to seek grant funds for a “low cost” model with affiliates that we anticipate will give the program additional life.

Public Education

The increased popularity of our public education activities, especially web-based ones and those delivered through social media, makes them attractive to sponsors. They are low-cost to us (we do not have to print and mail materials) but have high volume/high demand and are easily kept evergreen. They offer us the flexibility to reach multiple audiences, especially people who identify as minorities.

Workplace Mental Health Program

We believe that MHA is positioned to play a key role in the evolution of supports for workplace mental health. We have a ten-year commitment of funding from the Faas Foundation that will continue through the duration of this plan. While we may seek additional corporate supporters for our workplace program in general, our primary focus will be on generating revenue through the Bell Seal program and our additional focus will be on conducting additional workplace mental health trainings.

NEW: Beyond Awareness Young Adult Leadership Program (BAYAL)

We created our Beyond Awareness (BAYAL) Program, beginning in 2020, to respond to the expressed needs and interests of our younger (under 25) constituency population. BAYAL is consistent with our focus on empowering people with lived experience to work on behalf of others with lived experience. Its parts are drawn from our experience in working directly with youth constituencies. The components of BAYAL – which will evolve over time – will become a significant part of MHA’s work during the coming decade, with the potential of generating revenues to support them. They include a Young Adult Advisory Council, an Annual Report on Changing Status and Emerging Programs for Young People, Leadership Development and Civic Engagement, Tech-Based Interventions in S2S, Campus-based Partnerships, and Micrograntsts for Young Community Leaders.

Other

We received other grant funds for projects that meet a specific request or for a specific project within a given area of work for us. They may or may not be linked initially to one of our program areas. They generally fall into the broader public education category. We consider them separately because the activities in which we engage in this category tend to be more reactive (meeting an externally directed objective) than proactive. We expect to continue to engage in activities like these in the future.

Program and Media Partnerships

MHA engages in a variety of ***program*** partnerships, with media, other nonprofits, and corporations. Several of these are on a contractual basis, with revenue varying depending on the partners. Partners have included health care providers, policy groups, and others. We also work with several that involve no exchange of dollars, but simply reflect an agreement to collaborate on a given activity or promotion. At any given time, MHA has two dozen or more active partnerships that are governed by brief letters of agreement and do not involve an exchange of dollars.

We have experienced an uptick in the number and quality of partners who want to engage MHA as a partner for our subject matter expertise. We intend to be open to partnership conversations while guarding the integrity of our own work and data bases.

MHA's brand has also opened the door to recent media partnerships, such as with Netflix (which asks us to review entertainment content) and with WQED Pittsburgh (which licensed the use of "Before Stage Four" and featured our work in its 2018 Emmy award-winning documentary on psychosis treatment and recovery). We actively seek opportunities to use traditional and social media to enhance awareness of mental health and our brand. In 2019 MHA agreed to become a partner with WETA, which embarked on a ten-year initiative to highlight mental health, including three planned Ken Burns documentaries in 2022, 2025, and 2028. MHA did not make a financial commitment to the partnership and WETA did not seek one from us. We will continue to use media partnerships to promote our brand and approach to mental health awareness, services, and both prevention and recovery-oriented approaches.

Government and Foundation Support

Government Support (Grants/Contracts)

MHA does not receive significant revenue from government grants and contracts. We have taken steps to increase our work with the government. We have returned to the SAMSHA "Prime Contractor" list and we subcontract on two federal contracts (APA and NASMHPD) that are likely to continue. In late 2019, we also responded to a SAMHSA RFP to become a Peer/Peer Supporter Technical Assistance Center.

MHA engages in a broad range of policy work at both the state and federal levels. While much of our policy work focuses on winning support for and building strength among our constituencies, in 2019 we also developed several policy initiatives that could lead directly or indirectly to support for MHA initiatives and/or its affiliates. At the state level, model peer specialist certification legislation would incorporate our credential standard into state standards. At the federal level, direct appropriations or coverage for peers, screening, and workplace mental health could benefit MHA and its constituents.

In addition, we have taken the lead on federal policy initiatives focused on children, whole health, alternative payment models, and more, which are areas with significant sums of systems dollars attached to them. We intend to be active in multiple federal policy spaces because they offer the potential of influence and/or significant revenue growth during or beyond the period of this plan.

Foundation Support

MHA currently receives a small amount of independent foundation support specifically directed to programs. We do not include all foundation gifts in this category. The two types we count elsewhere are corporate foundation grants (which we include as part of corporate giving) and small mostly family foundation grants that we include in our CBS program.

We plan to continue to work with large foundations on projects of joint interest. We have done this with Kellogg and RWJF, with whom we have built solid working relationships during the past three years. As we learn more from this experience, we will also actively seek out opportunities to apply for foundation grants in the coming years, which could arise from our work in prevention, public health, children's services, screening, and s2s. We expect that this effort could yield a meaningful increase in foundation support before the end of the plan period – but we are not yet projecting that.

OTHER ACTIVITIES

Program and other activities are usually supported with unrestricted donations, memberships, and sales. These come from individuals, affiliates, associates, partners, and others. The following are some of the highlights.

Individual Support

Small dollar individual support comprises a significant portion of current MHA revenues. Most of these dollars come from social media, with average amounts of roughly $30 (versus closer to $100 in our traditional online giving). These unrestricted donations give us an opportunity to make strategic investments in programs, support services, and/or mission-related projects that are not (yet) receiving third-party grant funding.

After experimenting unsuccessfully with direct mail fundraising in late 2016 and early 2017, we turned our attention to the low-cost, high-return potential of online and social media giving. This approach has proven tremendously successful for MHA, and we intend to build on it during the coming three years.

MHA currently receives revenue from Facebook, Classy, Instagram, and Tiltify, and continues to work to expand our presence across all social media to maximize our impact in these areas. As a sign of our current impact in social media: ***According to a survey of National Health Council members in 2018 MHA generated 19.9 percent of all revenue this way versus 1.1 percent for health organizations in our size range ($4-10 million in annual revenue), and 0.6 percent for all 41 NHC members responding to the 2019 survey.***

Other individual small donor fundraising includes online and annual giving, as well as CFC dollars. For the coming three years, MHA anticipates modest growth based on an expectation of increasing web traffic and additional one-off campaigns such as we completed with Burger King and the World Record Egg in 2019.

Affiliates and Associates

MHA has a total of 201 affiliates and associates as of 2019. We consider our affiliate network to be part of the core strength of MHA.

The success of our affiliates is essential to the success of MHA. Affiliates serve as state and local ambassadors for MHA and bring our brand into local areas. As of 2019, MHA has 163 affiliates in 42 states. We would like to have at least one affiliate in every state. Growing our affiliate base is an important priority for us. ***Strengthening and sustaining our current affiliate community is an even higher priority***. We actively seek opportunities for grants and other revenues that can be shared with affiliates.

In 2016, MHA established an associate member program to expand our formal network. Associate members do not participate in governance. As of 2019, we had 38 associate members. They included members from Canada, Nigeria, Bangladesh, and Hong Kong. We intend to grow this number in the coming years.

Clifford Beers Society

The Clifford Beers Society is MHA's high donor program. It includes corporations and foundations that give an unrestricted gift of at least $5,000, affiliates that give an unrestricted gift of at least $2,500, and individuals who give a gift of at least $1,000. We intend to continue to recruit members to it.

During the period of 2017-2019, the number of corporate donors in this group grew from 11 to 15. Based on our trends, we anticipate a natural increase to 20 corporate members by 2022.

In 2018, there were 75 individuals in this category. This reflected an increase of an average of ten new donors per year, up from 55 in 2016. We expect this number to grow to at least 100 by 2022.

In 2019, 13 affiliate made donations to qualify for the program. With 2 to 3 additional affiliates joining each year, the program will increase to 20 affiliates by 2022.

Meetings

Annual Conference

MHA experienced significant growth in our conference attendance and sponsorships beginning in 2015.

Because we did not have a major plenary draw or a special event, we believe that our 2019 numbers are a reasonable baseline for future growth. In 2019, our 750 total attendees (632 conference and 118 policy institute) comprised the second highest total attendance in recent history.

New Meetings: Policy Institute

We re-introduced a policy institute as a pre-conference event in 2018 and gave it its own day in 2019. Approximately 60 people attended in 2018, and this number grew to 118 registrants in 2019.

It showcases our overall policy expertise. It focuses on federal policy issues relevant to a broad corporate, research, and advocacy world. It highlights our work and partnerships. Its intended audience is professional and generally already well-informed. In 2020, with a new sponsor, we will test spinning off the policy institute into its own event in a venue separate from the conference.

Product and Services Sales

MHA has identified and will focus on four areas of sales from 2020-2022.

Merchandise

Merchandise sales is a growing area of support for MHA, especially with the inclusion of the IDONTMIND brand into MHA accounting for a projected $250,000 in sales in 2019.

MHA sells merchandise – shirts, stickers, inexpensive jewelry, posters, books, etc. – that are of interest to our younger target audience. We have a pop-up store during our conference, occasionally sell products at health fairs, and sell digitally via our web site and social media. We formally brought the IDONTMIND merchandise brand under MHA in 2019.

Events

Adel Korkor (who designated MHA as his national charity partner) organized the 5-50-50 event – a 5K run in all fifty states on fifty consecutive days – in 2018 and 2019. Participation nationwide grew to 6,000 participants in 2019, and Dr. Korkor has expressed an interest in having MHA and affiliates take over the leadership of some of these races.

Peer Certification Credentials

MHA's national Certified Peer Specialist credential remains a modest program. Moving forward, we have identified six avenues over which we have control for continuing/expanding the program: (1) offering a provisional certification and adding skills related to substance use dependency support; (2) partnering with a large healthcare company to hire peers credentialed by MHA; (3) developing a partnership with a peer membership guild to use our credential for admission to the guild; (4) working with behavioral health insurers to offer coverage for peers who work on health teams; (6) working with state corrections offices to train peers to work with individuals transitioning out of custody, and (5) seeking government funding to subsidize peers in the workforce, especially the healthcare workforce.

New: MHA Bell Seal for Workplace Mental Health

MHA has launched the Bell Seal program beginning in 2020 to offer recognition to employers who excel in five areas of workplace mental health support: workplace culture, executive leadership and engagement, legal compliance, insurance and benefits, and mental health programs and "perks." All employers are eligible to apply. MHA believes that a significant number of employers annually will seek seal recognition during the early years of the program.

We market the workplace seal as an indicator of an employer's dedication to workplace mental health. There are four levels – bronze, silver, gold, and platinum.

OTHER SUPPORT

Royalty Income

Royalty income is included in MHA's annual revenue projections each year for purposes of budgeting. Our royalty income comes from mineral rights in the northern Midwest, and it can fluctuate based on the value of those. We received $129,000 in 2017 and $183,000 in 2018. We do not anticipate significant changes in revenue from this source and budget conservatively because of the fluctuating prices of natural mineral resources.

Trust Distributions

MHA also receives distributions from trusts. We received $82,000 in 2018 and $47,000 in 2017. We budgeted $55,000 in 2019. We do not anticipate significant differences from year-to-year in this area.

Bequests

MHA does not include bequests in annual operating revenue. Our Board of Directors' expressed intent is to deposit all bequests into reserves. The bequests we receive vary widely each year, but average more than $100,000 annually.

PROJECTED ANNUAL OPERATING REVENUE

In our business plan, we project revenue growth of 10 percent in 2020, 8.6 percent in 2021, and 9.3 percent in 2022. Total revenue will grow from just under $5 million to $6.5 million annually, with additional upside potential. Within the plan, revenue growth is dependent on two of three new revenue sources realizing potential – BAYAL, the Bell Seal, and peer certification. Revenues will be higher if all three do. Significant changes in government or foundation revenue, neither of which is projected in this budget, could also move revenues higher. Merchandise sales also have upside potential. If we exceed our email, social media, screening/s2s, Mental Health Month, and web traffic targets, this could also

result in significant increased support from individuals and corporations. We could also generate new revenue if we decide to expand our policy institute or if we add more paid registrants to RPC meetings.

The biggest downside risks, in addition to failing to realize revenues from new programs, are a loss of higher-dollar individual donations related to the 2017 tax law changes and corporate giving reductions.

PROJECTED ANNUAL EXPENSE ANALYSIS

Projected expenses during the three-year period are in line with projected revenues, with a low probability of shortfalls or windfalls. Because most expenses are tied to programs, they will also increase if program revenues (such as federal, Bell Seal, or BAYAL dollars) increase significantly.

Personnel costs are expected to continue to account for 50 percent or more of overall expenses. Salaries will grow throughout the period commensurate with the numbers, expertise, and levels of experience of employees.

Mental Health America has relatively low fixed expenses. The most significant is for the annual conference. The next most significant fixed expense is for occupancy. We have a contract for space at a highly competitive rate that will continue for several more years, adding modestly to our occupancy cost each year. Many of our other expenses are tied directly or indirectly to the size of our staff, including personnel costs, travel costs, supply costs and more. We anticipate both growth in the number of employees and in the amount of salaries we pay employees in the coming years.

It should be noted that MHA does not reimburse travel to and from our Alexandria office for any of our employees. This includes employees who live or work in other states or countries, who travel at their own expense for in-person staff and board meetings that occur approximately seven times per year.

RESERVES

MHA currently retains an unrestricted reserve fund equal to six months of our annual operating costs. Unrestricted reserves topped $2.5 million in mid-2019. We are not drawing down reserves to support operations. The fund has been growing in recent years as the budget has grown. We successfully rebuilt the reserve funds over the past few years. Our reserves will serve as a hedge against unforeseeable losses in revenue and allow us to weather any financial storms in the investment markets during the next three years.

CONCLUSION

For more than a century, MHA has been the pre-eminent voice for mental health in the country. It has built and maintained a national presence as well as a state and local network. It has invested wisely in its programs in recent years. It is well-positioned for future growth. While we believe that growth is likely, we have also put in place hedges against the “rainy days” that often emerge with little warning. We are grateful to our board members, staff, volunteers, and supporters for helping us build a foundation for supporting the mental health of the population and offering options for care, services, and supports to people with all mental health conditions before Stage 4.