

**Annual MHSA Revenue and Expenditure Report
Fiscal Year 2014-15
INSTRUCTIONS**

A. Background

Welfare and Institutions Code Section (WIC §) 5899 provides that the State Department of Health Care Services, in consultation with the Mental Health Services Oversight and Accountability Commission and the County Behavioral Health Directors Association (CBHDA) shall develop and administer instructions for the Annual Mental Health Services Act (MHSA) Revenue and Expenditure Report (RER).

B. Purpose

The purpose of the report is as follows:

1. Identify the expenditures of MHSA funds that were distributed to each county;
2. Quantify the amount of additional funds generated for the mental health system as a result of the MHSA;
3. Identify unexpended funds and interest earned on MHSA funds; and,
4. Determine reversion amounts, if applicable, from prior fiscal year distributions.

The report is intended to provide information that allows for the evaluation of all of the following:

- a) Children's system of care;
- b) Prevention and early intervention strategies;
- c) Innovative projects;
- d) Workforce education and training;
- e) Adults and older adults systems of care; and,
- f) Capital facilities and technological needs.

C. MHSA County Fiscal Accountability Certification Form (Enclosure 1)

This is a signed statement by the County Mental Health Director and the County Auditor Controller that all expenditures are consistent with the requirements of the Mental Health Services Act, including WIC § 5813.5, 5830, 5840, 5847, 5891, and 5892; and Title 9 of the California Code of Regulations Sections 3400 and 3410. This statement certifies that the information submitted in the County's RER is true and correct.

D. MHSA Component Expenditures Worksheets (Enclosure 3)

These worksheets are used to report the total expenditures for each MHSA-funded program. Expenditures should be recognized in the period that the fund liability is incurred. (Accounting Standards and Procedures for Counties, State Controller's Office (SCO), May 2013.)

Counties must report any expenditure that occurred between **July 1, 2014 and June 30, 2015**, on the appropriate component worksheet.

Counties should reflect total (gross) program expenditures for each MHSA program on the MHSA Component Expenditure Worksheets.

Community Services and Support (CSS) Summary

Counties must report total (gross) program expenditures for each Full Service Partnership (FSP) program, non-FSP program including General System Development and Outreach and Engagement. For any CSS program that serves both FSP and non-FSP clients, counties should report the program name and expenditures attributed to FSP clients in the FSP section; program name and expenditures attributed to non-FSP clients should be reported in the non-FSP section. CSS evaluation, CSS administration, and any funds assigned to the MHSA Housing Program must be reported as separate lines in the worksheet.

Prevention and Early Intervention (PEI) Summary

Counties must report total (gross) program expenditures for each PEI Prevention program, PEI Early Intervention program, other program, administration and PEI evaluation as separate lines in the worksheet.

1. Prevention programs - direct service programs that intend outcomes for individuals who are at greater than average risk for mental illness/emotional disturbance.
2. Early intervention programs - direct service programs that intend outcomes for individuals showing early onset of mental illness/emotional disturbance.
3. Other PEI programs - Programs that are not included above (i.e., that do not have a direct service component); these include stand-alone programs focused on the following:
 - Outreach for Increasing Recognition of Early Signs of Mental Illness Program
 - Access to Treatment Program for Individuals with a Serious Mental Illness
 - Program to Improve Timely Access to Services for Underserved Populations
 - Stigma and/or Discrimination Reduction Program
 - Suicide Prevention Program

Counties are encouraged to review the proposed PEI regulations to determine future expenditure reporting requirements. The proposed regulations are available at http://www.mhsoac.ca.gov/Laws_Regs/PEI.aspx

Innovation (INN) Summary

Counties must report program expenditures for each INN program. Total (gross) program expenditures for each INN program will auto-populate. Counties must also report total INN administration expenditures as a separate line in the worksheet.

Counties are encouraged to review the proposed INN regulations to determine future expenditure reporting requirements. The proposed regulations are available at http://www.mhsoac.ca.gov/Laws_Regs/INN.aspx

Workforce Education and Training (WET) Summary

Counties must enter the total (gross) program expenditures for each WET funding category and WET administration as separate lines in the worksheet.

Capital Facilities/Technological Needs (CF/TN) Summary

Counties must enter the total (gross) project expenditures for each capital facility project, capital facility administration, technological needs project, and technological needs administration as separate lines in the worksheet.

Other MHSA Funds Summary

PEI Training and Technical Assistance Capacity Building (TTACB), WET Regional Partnerships (RP), and PEI Statewide Programs (SWP)

Counties must report total (gross) expenditures for PEI TTACB, WET RP, and PEI SWP as separate lines in the worksheet.

PEI TTACB expenditures represent actual costs incurred.

WET RP expenditures should only be completed by the five counties (Alameda, Glenn, Los Angeles, Placer, and San Bernardino) serving as fiscal sponsors for the RPs.

Counties should report PEI SWP expenditures based upon the option chosen under DMH Information Notice 10-06. Counties that delegated their funds to CalMHSA under option 1 of Information Notice 10-06 should report expenditures incurred by CalMHSA. This information is provided to counties by CalMHSA on an annual basis. Counties that opted for a multi-county collaborative under option 2 of Information Notice: 10-06 should report expenditures when incurred.

Unencumbered Housing Funds Summary

MHSA Unencumbered Funds should only be reported by counties that received the funds from the California Housing Finance Agency (CalHFA) during FY 2014-15. Counties must report total (gross) expenditures in the worksheet.

E. RER Summary Worksheet (Enclosure 3)

This worksheet is used to report the following information:

- Unspent Funds available from prior fiscal years;
- MHPA funds revenue in FY 2014-15;
- Expenditure and funding sources in FY 2014-15;
- Transfers to local prudent reserve, WET, or CFTN;
- Adjustments
- Unspent funds in the Local MHP fund as of June 30, 2015;
- Local Prudent Reserve balance;

Counties must also mark yes or no when asked if PEI SWP funds have been assigned to CalMHPA (top of RER summary worksheet).

Unspent Funds Available from Prior Fiscal Years

This section provides the total amount of unspent funds available from prior fiscal years. Depending on the component or type of funding, counties may have unspent funds from FY 2006-07 through FY 2013-14. These amounts should total the amount of unspent funds previously reported on the FY 2013-14 RER (Identification of Unspent Funds worksheet, Total MHPA Unspent Funds line).

Local Prudent Reserve

Counties must report the total cumulative balance, including all interest earned in the Local Prudent Reserve, as of June 30, 2015.

MHPA Funds Revenue in FY 2014-15

DHCS will utilize the allocation report provided by the SCO and counties should utilize the same report when determining the total revenue to be reported on the FY 2014-15 RER. The amounts are available at:

http://www.sco.ca.gov/ard_payments_mentalhealthservicefund.html.

For CSS, PEI, and INN components counties must provide: a) the amount of funds transferred from the local prudent reserve, if applicable; b) the amount of funds received from the State MHP Fund; and, c) the amount of interest income posted to the local MHP fund.

Counties that accessed their local prudent reserve during FY 2014-15 must reflect the funds transferred into CSS or PEI as a positive amount. The transfer of funds out of the local prudent reserve will be reflected as a negative amount. These amounts equal zero

when added together.

Expenditure and Funding Sources in FY 2014-15

This section identifies all the sources and amounts of funds used to pay for the total (gross) program expenditures. The county must report all fund sources used to pay for program expenditures including any MHSA funds, Interest, 1991 Realignment, Behavioral Health Subaccount, and Other. The total of all sources of funds for each component must equal the total (gross) program expenditures reported on the Component Summary Worksheets.

Counties must identify the actual amount and fiscal year of MHSA funds used to pay for the program expenditures. A shaded box indicates that funding is not available for use in this fiscal year.

Other Funding represents the total amount of any other funds used to pay for program expenditures, which may include, but is not limited to: County General Fund, grants, patient fees, insurance, and/or Medicare.

Transfers to Prudent Reserve, WET, CFTN during FY 2014-15

WIC Section 5892(b) permits a County to use up to 20 percent of the average amount of funds allocated to that county for the previous five years to fund technological needs and capital facilities, human resource needs, and a prudent reserve.

Counties must report any transfers to the Local Prudent Reserve, WET, or CFTN that occurred between July 1, 2014 and June 30, 2015. The funds transferred into WET, CFTN, or Prudent Reserve should be reflected as a **positive** amount. The total amount of funds transferred from CSS will auto populate in the CSS column as a **negative** amount. The amount transferred from CSS should equal zero when added to the funds transferred into WET, CFTN, or Prudent Reserve.

Adjustments

Counties may report any adjustments, if applicable, utilizing funds that are available for use. Payments from the MHSA Fund should be reflected in the Adjustments section as a negative amount. Receipts into the MHSA Fund should be reflected in the Adjustments section as a positive amount. The reason for the adjustment and the fiscal year being adjusted must be reported in the Adjustments worksheet. The total amount of adjustments entered in the RER Summary worksheet must equal the total amount reflected in the Adjustments worksheet.

Unspent Funds in the Local MHS Fund

The Total Unspent Funds in the Local MHS Fund auto populates. This amount includes the sum of unspent funds available from prior fiscal years and funds posted to the local

MHS fund, less fiscal year expenditures, adjustments, and transfers.

Estimated FFP Revenue Generated in FY 2014-15 (Table B)

The FFP amount represents the estimated FFP revenue generated in FY 2014-15 and attributable to MHSA funds.

F. Adjustments Summary Worksheet (Enclosure 3)

Counties reporting adjustments on the RER Summary worksheet must use the Adjustments Summary worksheet to document the adjustments. For each adjustment made, counties must reflect the fiscal year the adjustment is attributed to, the amount of the adjustment, and the reason for adjustment. The total amount of adjustments must equal the total adjustments reflected in the RER Summary.