

MENTAL HEALTH SERVICES ACT (MHSA) PLAN OF CORRECTION (POC)

1.	County/City:	Mendocino
2.	POC Submitted for:	MHSA Fiscal Audit Review FY 10/11
3.	Date of Audit/Performance Review	March 15, 2023
4.	Name of Preparer:	
5.	Preparer Contact Email:	
6.	Preparer Contact Telephone:	

A	B	C	D	E
Finding #	Finding	Recommendation	Action Taken to Correct Finding (Identify Timeline / Evidence of Correction)	DHCS Comments
Finding #1	The County did not complete and accurately report MHSA expenditures reporting, particularly for its System Transformation Program that was approved in the FY 10-11 MHSA plan update, dated February 17, 2011.	<ol style="list-style-type: none"> 1. The County should correct the record and provide evidence of correction in the POC. 2. The County should exercise due care in the preparation of the RER and Short/Doyle Medi-Cal cost report and maintain accuracy amount the reports submitted to the department. 	Mendocino County has improved processes in the preparation of the RER and Short/Doyle Medi-Cal cost reports in the subsequent years to the RER under review.	Approved

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Finding #2	<p>Reporting CSS contract Expenditures.</p> <p>The FY 09/10 payments of \$11,250 should be reported in FY 09/10 Revenue and Expenditure Report.</p>	<p>The County should correct the record and include the above adjustments in the POC.</p> <p>The County should exercise due care to ensure the contractor payments are recorded in the correct fiscal year in the preparation of the RER and Short/Doyle Medi-Cal cost report and maintain accuracy amount the reports submitted to the Department.</p>	<p>Mendocino County will exercise due care to make sure we report the records in the correct fiscal year.</p> <p>Mendocino County has reviewed for additional, unallowable expenditures and found no other adjustments that need to be made.</p>	Approved
Finding #3	MHSA funds used for unapproved purpose.	The county should review its internal controls to ensure that MHSA funds are used	Mendocino County has updated internal controls to ensure that MHSA funds are used solely for MHSA purposes, and that incentives	Approved

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	The Department proposes an adjustment to eliminate unapproved expenditures, claimed as PEI.	solely for MHSA purposes. The County should review its records for unallowable expenditures and adjust all other fiscal years RERs to include only approved MHSA programs expenditures.	and food costs are included in MHSA budget and plan documents. Mendocino County has processes in place to review records annually for unallowable expenditures and makes adjustments to ARERs as needed.	
Finding #4	Reporting PEI statewide project fund and expenditure. As part of the MHSA Annual Revenue and Expenditure Report, the County shall report the amount of Prevention and Early Intervention	<ol style="list-style-type: none"> 1. The County should correct the records and provide evidence of correction in the POC. 2. The County should exercise due care in the preparation of the Revenue and Expense report to ensure complete and 	Mendocino in the future will obtain CalMHSA JPA's revenue and expenditure report and make sure it's reported accurately on the ARER.	Approved

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	funds voluntarily assigned by the County to California Mental Health Services Authority (CalMHSA) or any other organization in which counties are acting jointly.	accurate financial reporting by obtaining the JPA's revenue and expenditure report from CalMHSA. 3. The County should adjust the other fiscal years PEI Statewide fund and expenditure reported on the RER's to agree with the JPA's revenue and expenditure report.		
Finding #5	Prudent Reserve fund not invested consistently with other county funds and reported inaccurately.	1. The County should correct the records and provide evidence of correction in the POC for this fiscal year and the fiscal	After further review in collaboration with the County Auditor's Office, we confirmed that the Prudent Reserve (PR) funds were invested in accordance with County investment practices and consistently with other County funds. The interest	Approved

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		<p>years impacted.</p> <p>2. County should invest all local MHSA funds consistently with other County finds. County should calculate and adjust any interest earned on MHSA funds to the extent these have not been reported.</p>	<p>earned on the Prudent Reserve was not tracked separately but was included in the total Mental Health Services Act (MHSA) fund interest reported on the Annual Revenue and Expenditure Report (ARER). The Auditor's Office calculates interest based on the combined MHSA fund balance, which includes both the program and Prudent Reserve components. The resulting interest earnings are deposited into the MHSA-CSS account on a quarterly basis. While the interest was properly earned and deposited, it was not disaggregated to reflect the Prudent Reserve's portion separately.</p>	

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Instructions: Complete the MHSA Plan of Correction (POC) to address Findings from the Fiscal Audit Report or Performance Review Report.

Row 1: Enter County/City name.

Row 2: Select from the drop down menu if this POC is submitted in response to a Fiscal Audit or a Performance Review.

Row 3: Enter the date that the Fiscal Audit or Performance Review was conducted.

Row 4: Enter the name of the person who prepared the Plan of Correction or is responsible for responding to inquiries about the Plan of Correction.

Row 5: Enter the contact email address of the person who prepared the Plan of Correction or is responsible for responding to inquiries about the Plan of Correction.

Row 6: Enter the contact telephone number of the person who prepared the Plan of Correction or is responsible for responding to inquiries about the Plan of Correction.

Rows 7-28, Column A: Enter the number of the specific Finding from the Fiscal Audit Report or Performance Review Report.

Rows 7-28, Column B: Enter the specific Finding from the Fiscal Audit Report or Performance Review Report.

Rows 7-28, Column C: Enter the specific recommendation from the Fiscal Audit Report or Performance Review Report.

Rows 7-28, Column D: Enter the description of the actions taken to correct the Finding. Must include 1) timeline for implementation and/or completion of actions; 2) proposed (or actual) evidence of correction to be submitted to DHCS.

This completed form must be submitted to MHSA@dhcs.ca.gov.