

**ALAMEDA COUNTY BEHAVIORAL HEALTH CARE SERVICES
MENTAL HEALTH SERVICES ACT
REVENUE AND EXPENDITURE REPORT REVIEW
MANAGEMENT FINDINGS AND RECOMMENDATIONS
FISCAL YEAR ENDED JUNE 30, 2015**

FINDING NO. 1: INSUFFICIENT SUPPORTING DOCUMENTATION

Welfare and Institutions Code, Section 5891 requires that MHSA funds shall not supplant existing state and county funds used to provide mental health services, and shall only be used to pay for MHSA programs. The County is also required to maintain records in accordance with Generally Accepted Accounting Principles (GAAP), Governmental Accounting Standards Board (GASB) standards and the State Controller's Manual of Accounting Standards and Procedures for Counties. A County shall maintain records of all MHSA expenditures. (CCR, Title 9, Section 3420.45)

CMS Publication 15-1, Sections 2300 and 2304 also require adequate cost data in sufficient detail to support payments and the determination of reasonable costs.

The County did not provide sufficient documentation regarding MHSA expenditures reported on both the MHSA Revenue and Expenditure Report (RER) and SDMC Cost Report to provide assurance that expenditures were consistently and appropriately claimed among the two programs.

CONCLUSION

The County did not maintain adequate cost data which can be verified by qualified auditors.

AUDIT AUTHORITY

- 42 CFR, Sections 413.20 and 413.24
- CMS Pub. 15-1, Sections 2300 and 2304
- W&I Code, Section 5891
- CCR, Title 9, Sections 3400, 3420, and 3420.45

RECOMMENDATION

The County should develop and implement procedures to ensure adequate supporting documents are maintained to fully support MHSA expenditure reporting among programs and submit such records for Audits' review upon request.