



CALIFORNIA DEPARTMENT OF
Mental Health

1600 9th Street, Sacramento, CA 95814
(916) 654-2309

December 5, 2011

DMH INFORMATION NOTICE NO.: 11-15

TO: LOCAL MENTAL HEALTH DIRECTORS
LOCAL MENTAL HEALTH PROGRAM CHIEFS
LOCAL MENTAL HEALTH ADMINISTRATORS
COUNTY ADMINISTRATIVE OFFICERS
CHAIRPERSONS, LOCAL MENTAL HEALTH BOARDS

SUBJECT: CALCULATION OF REVERSION OF MENTAL HEALTH
SERVICES ACT (MHSA) INNOVATION (INN) COMPONENT
FUNDS

REFERENCE IMPLEMENTATION OF THE MHSA, WELFARE AND
INSTITUTIONS CODE (WIC) SECTIONS 5830, 5892(a)(6), and
5892(h)

Section 5892(h) of the WIC requires the reversion of funds which have not been spent for their authorized purpose within specified timeframes to the state Mental Health Services Fund. This Department of Mental Health (DMH) Information Notice provides clarification to Counties regarding the calculation of reversion of MHSA INN component funds.

In calculating reversion of unexpended funds Counties should consider Innovation funds that have been expended as part of their CSS and PEI expenditures, with 20 percent of the Innovation expenditures associated with PEI and 80 percent associated with CSS. To determine the amounts of funds subject to reversion, Counties are instructed to total their expenditures and subtract these expenditures from the distribution for the year for which funds are reverting separately for PEI and CSS. If the total expenditures for CSS or PEI (including Innovation funds) are greater than the amount distributed for CSS or PEI (including Innovation funds), no funds will revert. If expenditures are less than the amount distributed, the difference is the amount of funds that will revert to the State Mental Health Services Fund.

Any funds reverting from these combined totals shall be from each component in proportion to the component allocation in the combined totals for PEI and Innovation, and in proportion to the component allocation in the combined totals for CSS and Innovation. If the combined PEI and Innovation expenditure amount is subject to reversion, the

amount reverted from PEI shall be equal to the reversion amount times the proportion of PEI from the combined component allocation (PEI/INN), and the balance would be from Innovation. Similarly, if the combined CSS and Innovation amount is subject to reversion, the amount reverted from CSS shall be equal to the reversion amount times the proportion of CSS from the combined component allocation (CSS/INN), and the balance would be from Innovation.

Counties should continue to comply with all requirements in the Act, including sections 5892 and 5830.

If you have any questions regarding this Information Notice or the calculation for reversion of Innovation funds, please contact Clark Marshall at Clark.Marshall@mhsoc.ca.gov, telephone (916) 445-8788 or Kevin Hoffman at Kevin.Hoffman@mhsoc.ca.gov, telephone (916) 445-8740.

Sincerely,

Original signed by

CLIFF ALLENBY
Acting Director

Enclosure

cc: California Mental Health Planning Council
California Mental Health Directors Association
Mental Health Services Oversight and Accountability Commission
Acting Deputy Director, Office of Community Services