

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

1.	County/City:	Monterey
2.	POC Submitted for:	MHSA Fiscal Audit
3.	Date of Audit/Performance Review	November 2, 2022
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 is required to submit the RER no later than by December 31, following the end of the reporting fiscal year. Department issued MHSUDS Information Notice No. 15-037 on August 26, 2015, requested counties submit their fiscal year 2013-14 RER by October 30, 2015. However, this fiscal year's RER and the	The County should implement procedures that will ensure filing and certifying RERs on time.	The County is committed to ensuring that the Annual Revenue and Expenditure Report (ARER) filing requirement is completed on time and in full compliance with all applicable regulations. To achieve this, the following procedures will be implemented: 1. Between September 15	Submitted Policy and Procedures and adjustments are approved.

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	final certification are dated October 19, 2017, which falls beyond the submission deadline of October 30, 2015		<p>and October 14: Initial Audit of Reports</p> <ul style="list-style-type: none"> ·Begin auditing financial reports to assess all costs and revenue associated with the ARER filing. ·Ensure all relevant data is collected and recorded accurately. ·Identify any missing or incomplete information that needs to be addressed in subsequent audits. ·Initial audit report highlighting any discrepancies or missing data. <p>2. Between October 15 and November 14: Second Audit of Report</p> <ul style="list-style-type: none"> ·Conduct a second audit of 	

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			<p>financial reports, focusing on reviewing corrections or updates made since the initial audit.</p> <ul style="list-style-type: none"> ·Address any remaining discrepancies or data gaps. ·Begin compiling information for the draft ARER based on updated financials. ·Update audit report with corrections and additional data incorporated. ·Have a second finance staff review draft report. <p>3.Between November 15 and December 14: Third Audit and Final Review of Reports</p> <ul style="list-style-type: none"> ·Perform a third and final audit of the reports to 	

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			<p>ensure all financial data is complete and accurate.</p> <ul style="list-style-type: none"> ·Resolve any final discrepancies or data inconsistencies. ·Prepare a preliminary draft of the ARER in Excel format based on final audit results. ·Finalized audit report with no outstanding discrepancies. ·Preliminary draft of ARER. ·Have a second finance staff and MHSA Coordinator review draft report. <p>4. Between December 15 and January 14:</p> <p>Preparation of Draft ARER</p> <ul style="list-style-type: none"> ·Prepare the full draft of the ARER in Excel format. ·Review the draft for 	

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			<p>accuracy.</p> <ul style="list-style-type: none"> ·Draft version of the ARER prepared and distributed for review to the MHSA team. <p>5.Between January 15 and January 30: Finalization of ARER</p> <ul style="list-style-type: none"> ·Incorporate feedback from the MHSA team into the final version of the ARER. ·Conduct a final review to ensure accuracy. <p>Final version of the ARER, approved and ready for submission.</p> <p>6.January 31: Submission of ARER</p> <ul style="list-style-type: none"> ·Submit the finalized ARER and signed certification to 	

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			<p>the Department of Health Care Services (DHCS) and the Mental Health Services Oversight and Accountability Commission (MHSOAC) by the deadline via email for review.</p> <ul style="list-style-type: none">•Once DHCS has reviewed and approved the ARER Excel format, submit the signed certification and ARER to the Enterprise Cost Reporting and Settlement System ECRS.•ARER successfully submitted by the January 31 deadline.•Receive confirmation of submission receipt from DHCS. <p>By following this structured process, the County will ensure</p>	

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			the timely and compliant filing of the ARER, with multiple audit checks to ensure the accuracy and completeness of the report.	
Finding #2	According to W&I Code Section 5892(g), all expenditures for county mental health programs shall be consistent with a currently approved plan or update pursuant to Section 5847.	<p>Recommendation 1: The County should develop policies and procedures to monitor and ensure that MHSA program expenditures are consistent with a currently approved plan or update.</p> <p>Recommendation 2: If MHSA program expenditures are anticipated to become materially inconsistent with the most recently</p>	<p>To ensure the MHSA expenditures are aligned with the approved plan or update, the County will implement the following procedures:</p> <p>1. Between October 15 and November 14: Develop a Discrepancy Reporting Section</p> <p>Draft a new section in the 3-Year Plan and Annual Update template to report any discrepancies between approved plans and actual expenditures of the preceding year.</p>	Submitted Policy and Procedures and adjustments are approved.

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		approved plan or update, the County should update subsequent Three-Year Program and Expenditure Plans and/or Annual Update to ensure MHSA funds are expended consistent with an approved plan or update.	<p>Define the type of discrepancies to be defined by component.</p> <p>2. Between November 15 and December 14: Integration of Discrepancy Reporting into Plan Update</p> <ul style="list-style-type: none"> · Update the 3-Year Plan and Annual Update templates to include the new discrepancy reporting section. · Ensure the updated templates are integrated into the County's 3-Year Plan or Annual Update template. · Provide access to the updated templates for all relevant users. <p>3. Between December 15 and January 14: Training and Communication</p>	

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			<p>·Inform the MHSA team about the new procedure for developing the 3-Year Plan and Annual Updates.</p> <p>·Provide a step-by-step guide for reporting discrepancies, including examples.</p> <p>4. Between January 15 to February 14: Report Discrepancies in Future Plan Updates</p> <p>Provide a summary and fiscal table of reported discrepancies of the preceding year in each subsequent 3-Year Plan and Annual Update.</p> <p>5. June 30: Submission of the Plan</p>	

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			<p>.The 3-Year Plan or the Annual Update, including the section on discrepancies from the previous year.</p> <p>By incorporating a discrepancy reporting section in the 3-Year Plan and Annual Update procedures, the County will maintain better oversight of MHSA expenditures, ensure alignment with approved plans, and improve accountability.</p>	