

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

FINDING NO. 1: DOCUMENTING NON-SUPLANT COMPLIANCE

According to Welfare & Institution (W&I) Code 5891(a) "The funding established pursuant to this act shall be utilized to expand mental health services. ...these funds shall not be used to supplant existing state or county funds utilized to provide mental health services".

California Code of Regulations (CCR), Title 9, Section 3410 (a) requires that "Funds distributed under this Chapter should not be used to provide mental health programs and/or services that were in existence in November 2, 2004".

The County did not develop its own written policy and procedures to document compliance with MHSA non-supplantation requirements. The County provided Policy Number 90.10.100, titled "MHSA Annual Update" which addressed MHSA annual update requirements. Paragraph K of that policy addressed how its MHSA plans will include certification that the County has complied with all MHSA requirements, including stakeholder participation and non-supplantation requirements. There was no specific policy and procedures for how to meet, and document meeting non-supplantation requirements.

County did not provide any documents to prove how County met the MHSA non-supplantation requirement. The Director's signature for the MHSA Plan Update attesting to comply with non-supplantation requirements is not a source document that Audits could review and determine whether those requirements were actually met.

CONCLUSION

The County has not documented compliance with the non-supplant requirement.

AUDIT AUTHORITY

- W&I Code Section 5891(a)
- CCR, Title 9, Section 3410

RECOMMENDATIONS

1. The County should develop and implement written non-supplant policy with procedures for how compliance will be documented.
2. The County should develop schedules documenting how each fiscal year's MHSA expenditures expanded mental health services or program capacity.