

**Annual Mental Health Services Act (MHSA)
Revenue and Expenditure Report for Fiscal Year 2007-08**

Instructions

Introduction

The purpose of the Annual MHSA Revenue and Expenditure Report (Revenue and Expenditure Report) for Fiscal Year (FY) 2007-08 is to (1) identify the expenditure of MHSA funds distributed to each County, (2) quantify the amount of additional funds generated for the mental health system as a result of the MHSA, (3) determine the cost per client for Full Service Partnership (FSP) clients, (4) determine reversion amounts (if applicable) from prior fiscal year distributions, and (5) identify expenditures for planning activities. These instructions are intended to provide guidance to Counties on how to complete the Revenue and Expenditure Report forms.

The following forms are provided for the Revenue and Expenditure Report:

- *Community Services and Supports (CSS) Work Plans* – Identifies FY 2007-08 MHSA expenditures by activity for each individual CSS work plan (one form for each work plan).
- *CSS Work Plan Summary* - Summarizes FY 2007-08 MHSA expenditures by activity.
- *CSS Summary* - Summarizes FY 2007-08 MHSA expenditures by CSS work plan and includes expenditures on planning, evaluation and administration.
- *Prevention and Early Intervention (PEI) Community Program Planning Summary* - Identifies FY 2007-08 MHSA expenditures for PEI planning activities.
- *Workforce Education and Training (WET) Summary* - Identifies FY 2007-08 MHSA expenditures for WET planning activities and WET work plans.
- *Community Program Planning (CPP) Summary* – Identifies FY 2007-08 MHSA expenditures for CPP activities prior to submission of the initial Three-Year Program and Expenditure Plan and funded in FY 2004-05.¹
- *County Summary* – Summarizes FY 2007-08 MHSA expenditures for each component and in total.
- *Identification of Unspent Funds* – Summarizes, by component, MHSA funds that have been distributed to the County and have not been spent.

Instructions for each form are provided in the remainder of this document in the recommended order for completing the forms. Counties should use the modified accrual basis of accounting when reporting expenditures (i.e., report revenues based on when they become both measurable and available to finance expenditures of the current period and report expenditures when incurred regardless of when payment is made).

¹ Refer to DMH Letter No. 05-01 (January 18, 2005) regarding the initial MHSA CPP funding.

CSS Work Plans (pages 1 through 25)

This form identifies revenues and expenditures for each CSS work plan implemented by the County. Counties should complete a separate form for each CSS work plan that was operating in FY 2007-08 and identify each work plan by the title in the approved Three-Year Program and Expenditure Plan. (Note that the Excel template has been created for a maximum of 25 work plans. Counties with more than 25 work plans should add worksheets so that each work plan is reported on a separate sheet).

Expenditures and revenues are identified by the following three activities:

- Full Service Partnership (FSP) – Activities related to providing the full spectrum of services and supports to clients enrolled in an FSP.
- General System Development (GSD) – Activities related to improving the County's mental health service delivery system for all clients. Activities may or may not be provided to clients enrolled in an FSP.
- Outreach and Engagement (O&E) – Activities related to reaching populations that are unserved or underserved.

Revenues and expenditures are identified by type of entity performing the activity (County and/or contract provider) and by type of expenditure (personnel or other) as described below. Include the total mental health cost of each work plan (MHSA and other funding sources).

- Personnel – Salaries and benefits of employees in each work plan. This includes client, family member and caregiver employees.
- Other – All other costs of the work plan, including professional services; travel and transportation; general office expenditures; office rent, utilities and equipment; telecommunications, etc. as well as all client support expenditures, including client housing.

The first column (column A) represents total mental health expenditures of the work plan in FY 2007-08. This includes expenditures made with MHSA funds as well as all other expenditures associated with the work plan. The remaining nine columns (columns B through J) represent the funding sources for the expenditures in column A. Thus, the sum of columns B through J should equal the amount in column A.

Counties should maintain documentation as to the approach used for allocating expenditures to activities. The documentation should include brief notes on why the expenditure was allocated to the activity and any special allocations across multiple activities. Counties should follow the same approach each year unless more accurate information is available. Counties should maintain this documentation in order to provide an audit trail.

Counties should use data from the FY 2007-08 SD/MC cost report to estimate expenditures associated with the Early and Periodic Screening, Diagnosis and Treatment (EPSDT) program and the corresponding State General Fund (SGF) and Medi-Cal Federal Financial Participation (FFP) revenues.

CSS Work Plan Summary (page 26)

This form summarizes revenues and expenditures by activity and type of expenditure for each CSS work plan reported by the County on each CSS Work Plan form. Counties do not need to enter information on this form as the information is summarized electronically from the individual CSS Work Plan forms.

CSS Summary (page 27)

This form summarizes revenues and expenditures for each CSS work plan reported by the County on each CSS Work Plan form as well as FY 2007-08 revenues and expenditures associated with CSS planning, evaluation and administration. Counties do not need to enter information on the top part of this form as the information is summarized electronically from the individual CSS Work Plan forms. Counties should enter FY 2007-08 CSS planning costs, evaluation costs and administration costs by type of expenditure on the lower half of the form. Again, Counties should enter total expenditures in column A and then the relevant funding sources in columns B through J.

Prevention and Early Intervention (PEI) Community Program Planning Summary (page 28)

This form summarizes revenues and expenditures by expenditure type (personnel and other) for PEI planning activities. Counties should enter total mental health expenditures in column A and the relevant funding source(s) in columns B through J. Thus, the sum of columns B through J should equal column A for each funding category.

Workforce Education and Training (WET) Summary (page 29)

This form summarizes revenues and expenditures by funding category for WET planning activities and WET work plans. Counties should enter total mental health expenditures in column A and the relevant funding source(s) in columns B through J. Thus, the sum of columns B through J should equal column A for each funding category. The funding categories relate to the request for funding for planning activities prepared and submitted by each County under the MHSA WET component² and each County's approved WET work plans.

Community Program Planning (CPP) Summary (page 30)

This form summarizes revenues and expenditures by expenditure type for FY 2007-08 CPP activities. Counties should enter total mental health expenditures in column A and the relevant funding source(s) in columns B through J. Thus, the sum of columns B through J should equal column A for each funding category. These expenditures are only for the initial CPP activities performed prior to approval of any component of the Three-Year Program and Expenditure Plan, and not for extension of planning shown on the CSS Summary form, WET planning shown on the WET Summary form, or PEI Community Program Planning shown on the PEI Community Program Planning form.

² Refer to DMH Information Notice No. 07-06 (April 20, 2007) for proposed guidelines for the WET component.

County Summary (page 31)

This form summarizes total mental health revenues and expenditures by component for FY 2007-08. Counties do not need to enter information on the top half of the form as this information is summarized electronically from other forms. Counties should enter the balance of their mental health expenditures and revenues as shown on the MH 1992 line 26 from the Summary Short-Doyle/Medi-Cal (SD/MC) cost report (in general, this is the difference between line 26 on the Summary SD/MC cost report and the Total MHSA Components line). The amount on the Total County Mental Health Services line should equal the amount on line 26. If not, the County should maintain documentation as to why amounts differ (i.e., start-up and/or capital costs reimbursed by Medi-Cal).

Identification of Unspent Funds (page 32)

This form is used to determine the amount of MHSA funds distributed to a County that have not been spent. Do not enter data in the shaded cells. Enter amounts separately for each MHSA component and only enter MHSA funds.

Enter the amount of unspent funds from prior fiscal years in the first section. In general, the amount of unspent funds for each component should equal the amount reported as unspent funds on the bottom row of the FY 2006-07 MHSA Revenue and Expenditure Report Identification of Unspent Funds form unless the County modified the FY 2006-07 MHSA Revenue and Expenditure Report following submittal of the Report to the State. Counties that have modified their FY 2006-07 MHSA Revenue and Expenditure Reports should maintain supporting documentation for the modifications and do not need to submit a revised FY 2006-07 MHSA Revenue and Expenditure Report to the State.

Enter distributions from DMH and interest earned on the local MHS fund balance in the second section. Counties should try to identify interest specific to each component or use a reasonable approach to allocate interest to each component. Do not include distributions from DMH that are for FY 2008-09.

MHSA FY 2007-08 expenditures are summarized electronically from the County Summary form for each component. If applicable, enter an amount approved for the local Prudent Reserve in FY 2007-08. Do not enter amounts not yet approved for the Prudent Reserve and/or requested in FY 2008-09.

Enter MHSA funds subject to reversion. In accordance with Welfare and Institutions Code Section 5892(h), any funds allocated to a County that have not been spent for their authorized purpose within three years revert back to the State MHS Fund, except for funds allocated for the Capital Facilities and Technological Needs component, which do not revert for ten years. Thus, CPP funding from FY 2004-05 distributed to the County that has not been spent as of June 30, 2008 is subject to reversion, as is FY 2005-06 CSS funding distributed to the County that has not been spent as of June 30, 2008.³

Total available funding (i.e., the sum of unspent funds from prior fiscal years and FY 2007-08 deposits), less FY 2007-08 expenditures, contributions to the Prudent Reserve,

³ Refer to DMH Information Notice No. 08-07(March 13, 2008) for additional information regarding MHSA reversion.

and funds subject to reversion, represents total MHSA unspent funds. Counties are required to provide a description as to the proposed expenditure of these unspent funds as part of the FY 2009-10 annual update to the Three-Year Program and Expenditure Plan, in accordance with WIC Section 5847(d).