



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

June 17, 2010

DMH INFORMATION NOTICE NO.: 10-13

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

SUBJECT: REVERSION POLICY OF MENTAL HEALTH SERVICES ACT  
(MHSA) PREVENTION AND EARLY INTERVENTION (PEI)  
FUNDS FOR COMPONENT ALLOCATION FOR THE PEI  
STATEWIDE PROGRAMS

REFERENCE: WELFARE AND INSTITUTIONS CODE (WIC) SECTION 5840,  
5892 (h)

Pursuant to the responsibilities of the California Department of Mental Health (DMH) and the Mental Health Services Oversight and Accountability Commission (MHSOAC) as outlined in Welfare and Institutions Code sections 5846 and 5847, this Information Notice clarifies the policy to Counties<sup>1</sup> related to the reversion of funds as required under the Welfare and Institutions Code section 5892, subdivision (h) for the Mental Health Services Act (MHSA) Prevention and Early Intervention (PEI) Component Allocation<sup>2</sup> for the PEI statewide programs. Section 5892, subdivision (h), requires, within specified parameters, the reversion of funds previously allocated to Counties. Specifically section 5892 subdivision (h) requires:

*Other than funds placed in a reserve in accordance with an approved plan, any funds allocated to a county which have not been spent for their authorized*

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<sup>1</sup> "County" means the County Mental Health Department, two or more County Mental Health Departments acting jointly, and/or city-operated programs receiving funds per Welfare and Institution Code section 5701.5 (Cal. Code Regs., tit. 9, § 3200.090).

<sup>2</sup> The term "Planning Estimate" has been replaced by the more accurate term "Component Allocation". Component Allocation has the same meaning as Planning Estimate: an amount of MHSA funds that is made available to the County for a component of the Three-Year Program and Expenditure Plan during a fiscal year, or other specified time period, as published by the Department.

*purpose within three years shall revert to the state to be deposited into the Fund and available for other counties in future years, provided however, that funds for capital facilities, technological needs or education and training may be retained for up to ten years before reverting to the Fund.*

The PEI Statewide Programs Component Allocation funds are subject to reversion after three years as specified in DMH Information Notice 08-07 published on March 13, 2008. The Information Notice identified specific criteria that must be met for funds to be considered available and to trigger the beginning of the reversion period. Specifically, funds become available when: (1) the Component Allocation is published; (2) the County is notified in writing by the DMH of the requirements for accessing the Component Allocations through proposed guidelines; and (3) the Fiscal Year (FY) for which the Component Allocation is published has begun. However, if the publication of guidelines and/or Component Allocations is delayed, the beginning of that reversion period may be affected.

If guidelines and/or Component Allocations are published:

- Prior to the start of the FY, funds would be “allocated” at the start of the FY to which the Component Allocation applies;
- In the first quarter of the FY to which the funds apply, funds would be considered allocated at the start of that FY;
- After the end of the first quarter of the FY to which the funds apply, funds will be considered allocated, for the purposes of calculating reversion, at the beginning of the **following** FY.

The initial guidelines and Component Allocations for the PEI statewide programs were released on September 11, 2008 (Information Notice 08-25). The fiscal years for which the Component Allocations were made available were 08/09, 09/10, 10/11, and 11/12. The three-year period for FY 08/09 and FY 09/10 funds has already begun. The three-year period for FY 10/11 funds was due to begin July 1, 2010. However, due to the recent re-issuance of guidelines regarding the PEI statewide programs by the MHSOAC, the three-year period for reversion of funds made available for FY 08/09, FY 09/10 and FY 10/11 will now begin on July 1, 2010 and end on June 30, 2013. The three-year period for funds made available for FY 11/12 will begin on July 1, 2011 and end on June 30, 2014.

For Counties that requested and were approved by the MHSOAC to use PEI statewide programs funds locally, the three-year period remains the same. Therefore, funds made available FY 08/09 will revert on June 30, 2011 and FY 09/10 funds will revert on June 30, 2012, etc.

DMH and the MHSOAC are committed to the Counties’ success and support the

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successful development and implementation of the MHSa PEI statewide programs. If you have any questions regarding this Information Notice, please contact your County Technical Assistance representative identified on the following DMH website:  
[http://www.dmh.ca.gov/Services\\_and\\_Programs/Local\\_Program\\_Support/County\\_Technical\\_Assistance.asp](http://www.dmh.ca.gov/Services_and_Programs/Local_Program_Support/County_Technical_Assistance.asp).

Sincerely,

Original Signed by

STEPHEN W. MAYBERG, Ph.D.  
Director

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