California's Investment in the Public Mental Health System: Proposition 63
Overview of the Brief Series/ Summary of Findings

UCLA Center for Healthier Children, Youth and Families

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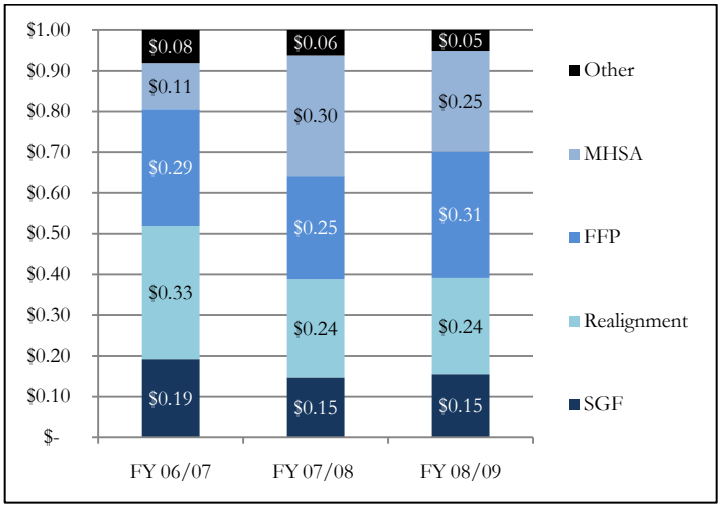
I. Background and Series Overview

California's Mental Health Services Act. Proposition 63 (2004) provides increased funding to support mental health services for individuals with mental illness and inadequate access to the traditional public mental health system. The importance of Mental Health Services Act (MHSA) monies as a proportion of overall mental health funding in the State of California has grown over time.

The Mental Health Services Act within the Context of the Public Mental Health System: Figure 1 displays information illustrating that, as of State Fiscal Year 2008 – 2009, monies budgeted for mental health services under the MHSA accounted for 25 cents out of every dollar budgeted in the public mental health system. Monies budgeted for mental health services out of the State's General fund and from Realignment have, in turn, shrunk over time. Each accounted for less than 25 cents out of every dollar budgeted for public mental health services from July 1, 2008 through June 30, 2009. Federal Financial Participation dollars (MediCal) emerged as the largest resource budgeted in FY 2008 – 2009 (31 cents out of every dollar budgeted in the public mental health system).

Figure 1. The Mental Health Dollar Budgeted and the Role of Major Sources (FY 06-07 to FY 08-09) [i]



Key: MHSA – Proposition 63 Funds (MHSA) Planning Estimates; FFP – Federal Financial Participation; SGF – State General Fund

This brief overview of dollars budgeted under the public mental health system was presented in order to provide context about the overall system under which the Mental Health Services Act operates. The remainder of this brief (and the briefs in this series) focuses on expenditures solely related to the Mental Health Services Act (MHSA).

Expenditures under the Mental Health Services Act: Monies actually expended on mental

health services in California during Fiscal Years 2006 – 2007, 2007 – 2008, and 2008 – 2009 were the source of data analyzed and summarized in this overview and accompanying series of briefs.

Figure 2. The Mental Health Services Act Dollar Expended and the Role of Leveraged and Existing Resources (FY 06-07 to FY 08-09)[ii]

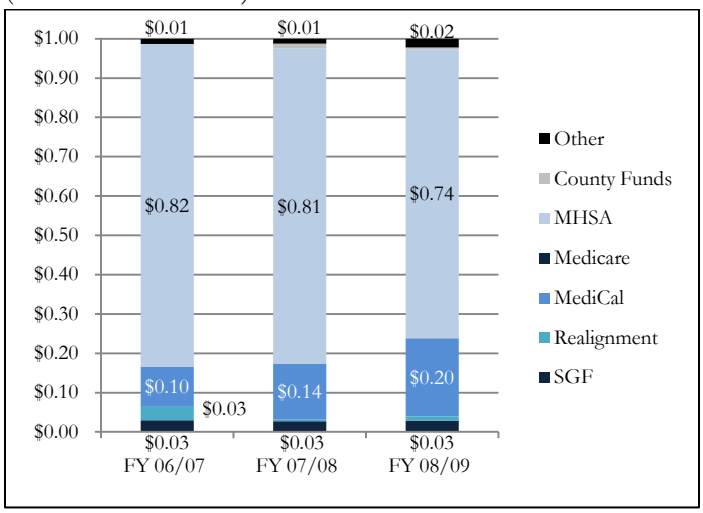


Figure 2 illustrates that, as of State Fiscal Year 2008 – 2009, monies expended on mental health services provided under the MHSA accounts for 74 cents out of every MHSA dollar expended Monies expended on MHSA services out of the State's General fund and from Realignment have, in turn, shrunk over time. Each account for less than 25 cents out of every dollar spent on MHSA services from July 1, 2008 through June 30, 2009. However, MHSA expenditures on leveraged resources have increased over time, particularly for MediCal. The increase in MHSA expenditures on leveraged resources suggest that counties and municipalities are successfully leveraging MHSA in order to bring in additional federal dollars.

Prop 63 funds are distributed to county departments of mental health to implement components of the Mental Health Services Act (MHSA). Components include: Prevention and Early Intervention (PEI); Workforce, Education, and Training (WET); Capital Facilities and Technology Needs (CF/TN); Innovation (INN); and Community Services and Supports (CSS), which includes the Full Service Partnership (FSP). FSP programs are a large portion of the CSS funding allocation from MHSA. There is a requirement that the majority of the CSS budget is allocated to FSP, and that clients be served with "*whatever it takes.*" FSP programs are costly because they are targeted for individuals with significant needs and are expected to provide whatever it takes to meet the person's goals. FSP programs therefore tend to have relatively small caseloads of children and adolescents, transition-age youth, adults and older adults because they are expensive to run. The remaining portions of CSS (can be up to 49% of county budgets) are used to cover gaps in systems of care related to needs for supportive services, such as transportation or vocational training, which

are typically unfunded.

The Statewide Evaluation. UCLA's Center for Healthier Children, Families and Communities and EMT Associates, Inc. have been contracted by the Mental Health Services Oversight and Accountability Commission to conduct a statewide evaluation of the Mental Health Services Act. This evaluation is designed to be consistent with the intent of the Act "*to ensure that all funds are expended in the most cost effective manner and services are provided in accordance with recommended best practices subject to local and state oversight to ensure accountability to taxpayers and to the public*."

The UCLA/EMT Evaluation will produce deliverables in several priority areas. The focus of this Summary and Overview and its related briefs is California's monetary investment in the public mental health system. This first in a series of briefs begins to answer key questions related to fiscal accountability by providing a baseline of information by which to later determine whether there has been a) Effective stewardship of public funds; and b) Diverse utilization of funded programs.

Investment Briefs – Purpose. The California Department of Mental Health recently reported that California's Mental Health Services Act "*has generated $6.5 billion in additional revenues for mental health services through the end of Fiscal Year (FY) 2009-10*." [iii] The amount of money generated raises several questions:

- How much is being spent? [iv]
- What services are being provided? [v]
- Who is providing services?[vi]
- How does the allocation of MHSA $ vary across counties? [vii]

The purpose of this Overview/Summary and associated briefs is to answer these questions. The activities in which funds were expended and the amount of monies left unspent are further explored in the remainder of this Overview and Summary. This brief report closes with a Summary of Findings.

The series of briefs that accompany this Overview/Summary focus on how monies were expended on each component under the MHSA. A description of each brief follows.

Brief 1: Community Services and Supports: Community Services and Supports are envisioned to be part of a "*System of Care*." [viii] The California Department of Mental Health describes Community Services and Supports:

> Are the programs and services identified by each County Mental Health Department (County) through its stakeholder process to serve unserved and

> underserved populations, with an emphasis on eliminating disparity in access and improving mental health outcomes for racial/ethnic populations and other unserved and underserved populations. (p. 2)

- Brief 2: Full Service Partnerships: Full Service Partnerships were designed to be the "*services*" component of Community Services and Supports (the other two components were designed to bring un-served and underserved populations in for service, and to strengthen the service system itself). A complete articulation of the Full Service Partnership model is beyond the scope of this brief. The reader is referred to the Toolkit series produced by California Institute for Mental Health for a thorough description of Full Service Partnership principles for each of the core age groups.[ix] In brief:

> A '*Whatever It Takes*' approach means to find the methods and means to engage an individual, determine their needs, and create collaborative services and support to meet those needs. This may include innovative approaches to services to prevent the program from unilaterally referring the client out to less intensive, step-down services (i.e., No-Fail Services). (p. 13)

- Brief 3: General System Development: General System Development (GSD) funds should be used to help counties "*improve programs, services and supports*" for individuals in need and, when applicable, their families in order to "*change their (the counties') service delivery systems and build transformational programs and services*." (p. 8)

  This funding is meant for services that benefit both individuals with mental illness and their families, such as:

  - peer support,
  - education and advocacy services, (p.8) and
  - mobile crisis teams.

  General System Development Funds can also be used to improve the public mental health system by:

  - promoting interagency and community collaboration and services, and
  - developing the capacity to provide values-driven, evidence-based and promising clinical practices. (p.8)

What is emphasized here is that GSD funds must be used only for mental health services and supports such as mental health treatment, rehabilitation services, and service system coordination.

For services that have functions other than those related to mental health:

- "*only the proportion of costs associated with the mental health activities*" can be covered by GSD funds.

Funding that is necessary for community supports and respite care, for instance, is **not** allowed to be paid for through GSD expenditures, and can only be provided to clients enrolled in Full Service Partnerships.

Yet – as indicated in various notices – GSD funds can be used for certain housing expenditures as long as these expenditures are used to improve the mental health delivery system of the county in question. This funding may be used both for housing units acquired by GSD funds as well as units obtained through non-MHSA funded sources.[x] Examples of GSD funds leveraged for housing in buildings owned by local government include rent subsidies and master leases. Examples of GSD funds leveraged for housing in buildings that may be subsidized by local government include motel vouchers.

- Brief 4: Outreach and Engagement: Community Supports and Services funds designated for outreach and engagement are to be spent, according to the Department of Mental Health (2005) [xi] for:

  - "*outreach and engagement of those populations that are currently receiving little or no service*." (p. 8)

When elaborating, the Department of Mental Health specifies that this funding must be used solely to reach: [xii]

- "*unserved populations*" in an effort to reduce "*ethnic disparities;*" and/or
- "*unserved populations*" include individuals who have had limited or only "*crisis oriented contact and/or service from the mental health system*."

To illustrate the type of service that Community Services and Supports through Outreach and Engagement Funding should initiate, the following examples are listed (p. 8):

- peer-to-peer outreach,
- screening of children and youth, and

- school and primary care-based outreach to children and youth who may have serious emotional disorders

by:

- racial/ethnic community-based organizations,
- mental health and primary care partnerships,
- faith-based agencies,
- tribal organizations and health clinics, and
- organizations that help individuals who are homeless or incarcerated, and that link potential clients to services.

Brief 5: Workforce Education and Training: Workforce Education and Training (WET) funding is expected to be used in order to alleviate:

> "the shortage of qualified individuals to provide services to address severe mental illnesses (WIC Section 5820)."

Counties/municipalities are asked to review their workforce and their contractor workforce, assess where the shortages exist, and document the challenges in order to apply for WET funds as a remedy. [xiii]

WET funding supports a variety of activities, described on pages 6 – 7.

Workforce Staffing Support Workforce Staffing Support provides: [xiv]

> "funds to plan for, administer, support or evaluate the workforce programs and trainings in the remaining four funding categories." (p. 21)

The remaining four funding categories noted in DMH guidance documents include:

- Training and Technical Assistance
- Mental Health Career Pathway Program
- Residency Internship Program
- Financial Incentive Program

Funds in the Workforce Staffing Support category can be used to pay for individuals or agencies through an hourly rate, staff salary, or by contract, and the staff time put into this category can be used to further state-administered programs that affect the county (p. 21).

Training and Technical Assistance Training and Technical Assistance refers to: [xv]

> "events and activities in which individuals and/or organizations are paid with MHSA funds to assist all individuals who provide or support the Public Mental Health System in better delivering services consistent with the fundamental principles intended by the Act." (p. 25)

In order for training and technical assistance to qualify for MHSA funding, it must promote:

- recovery, wellness and resilience;
- client and family member support;
- client and family member partnership with county and community based organization staff through education and technical assistance;
- cultural competence; and
- "*increase competency*" in content knowledge and management, coordinator and consultation skills "*to implement quality Prevention and Early Intervention Component programs and activities*." (pp. 25-27)

Mental Health Career Pathway Programs Mental Health Career Pathway Programs are defined as: [xvi]

> "educational, training and counseling programs that are designed to recruit and prepare individuals for entry into a career in the Public Mental Health System." (p. 31)

The goal of these programs is to expose individuals to careers and service delivery currently available in the Public Mental Health System as well as to familiarize them with the Mental Health Services Act's

> "vision of wellness, recovery and resilience, client and family member driven services, cultural competence, community collaboration, and integrated service experiences." (p. 31)

These programs should both address the inequality present in the mental health workforce for certain "*underrepresented*" groups and prepare individuals in the community, particularly clients and their family members, for employment in the Public Mental Health System (p. 31).

Residency Internship Programs Residency Internship Programs are meant to: [xvii]

> "address workforce shortages by supplementing existing programs in order to increase the number of licensed professionals within a program who will practice in the Public Mental Health System." (pp. 35-36)

Specifically, these programs aim to increase the number of licensed professionals who have the following specific training and education:

- specialize in child and geriatric psychiatry, and
- can prescribe and/or administer psychotropic medications (p. 36).

Or have the following desirable personal background:

- are recruited from underrepresented racial/ethnic and cultural groups, (p. 36)

and/or are willing to work in the following settings:

- increase mental health awareness and expertise by working with primary care health care workers,
- work on multidisciplinary teams providing services according to the fundamental concepts of the Act, and
- work in underserved/unserved communities and rural areas (p. 36).

Financial Incentive Programs Financial Incentive Programs include stipends, scholarships, and loan assumption programs that are given out as incentives in order to: [xviii]

> "recruit and retain both prospective and current public mental health employees who can address workforce shortages of critical skills and under-representation of racial/ethnic, cultural or linguistic groups in the workforce." (p. 39)

These programs are also used to encourage employment and career advancement opportunities for individuals who are either themselves clients or family members of clients who have had experience with the Public Mental Health System (p. 39).

Brief 6: Prevention and Early Intervention: Prevention and Early Intervention (PEI) is designed to function on a "*help-first*" basis by providing access to support at "*the earliest possible signs of mental health problems and concerns*" (p. 2).[xix] A central goal of PEI is to make mental health become a socially accepted aspect related to community wellness, thus diminishing the stigma and discrimination that currently exists against those identified as having mental illness.

Two of PEI's initial components were extensively defined:

Prevention: The "*Prevention*" element of PEI is defined by the Institute of Medicine (IOM) as both "*Universal and Selective*," meaning that it targets the general public as well as individuals or subgroups that are at risk for developing mental illness (p. 7).

Early Intervention: "*Early Intervention*" is described as "*directed toward individuals and families for whom a short-duration…relatively low-intensity intervention is appropriate to measurably improve a mental health problem or concern very early in its manifestation*" so that future treatment or a worsened condition can be avoided (p. 8).

As a whole, the target populations for PEI are those who are:

- underserved,
- individuals who show early signs of serious psychiatric illness,
- youth who live in stressed families,
- those who have been exposed to trauma,
- youth at risk for school failure, and
- youth at risk of or experiencing juvenile justice involvement (p. 5).

Also, when considering activities implemented by the counties (*see Appendix C in Brief 6 for a complete listing*), PEI is used to intervene with individuals at risk for suicide and to reduce stigma and discrimination, among others.

What is emphasized is that although prevention and early intervention may occur across the entire mental health intervention spectrum,

> "the policy foundation constructed by the [MHS]OAC and its PEI Committee, DMH and CMHDA defines the PEI component of the MHSA as programs and interventions at the early end of the spectrum." (p. 6)

Additionally, it is indicated that PEI should not be used:

> "for filling gaps in treatment and recovery services for individuals who have been diagnosed with a serious mental illness or serious emotional disturbance and their families." (p. 9)

Brief 7: Capital Facilities/Technological Needs and Innovation: These two components are combined into one brief because expenditures are limited to one fiscal year (FY 2008 – 2009).

Therefore, any discussion of change over time is moot. Graphics and tables are truncated compared to other components, hence the combination of these last three components into one brief.

In the Capital Facilities Project Proposed Guidelines for the County's Three-Year Program and Expenditure Plan, a capital facility is: [xx]

> "a building secured to a foundation which is permanently affixed to the ground and used for the delivery of MHSA services to individuals with mental illness and their families or for administrative offices." (p. 2)

Capital Facility funds:

> "may be used by the County to acquire, develop or renovate such buildings or to purchase land in anticipation of acquiring/constructing a building." (p. 2)

These funds may also be used to renovate privately owned buildings as long as the buildings provide MHSA services (p. 2). It is emphasized that expenditures that result from Capital Facilities funding must add to the County Department of Mental Health's infrastructure in a lasting way as well add to the scope of current services or create new ones. Also, as stated in the Proposed Guidelines for Completing the Capital Facilities and Technological Needs Component Proposal of the County's Three-Year Program and Expenditure Plan, funds for Capital Facilities are organized together with those for Technological Needs, although each has their own regulations, requirements, and purposes (p. 3).

In the Guidelines for Completing the Technological Needs Project Proposal for the County Three-Year Program and Expenditure Plan,[xxi] the goal of the Technological Needs component of the MHSA is said to be twofold:

1. Technological Needs Projects should increase client and family empowerment:

    a. "*by providing the tools for secure client and family access to health information that is culturally and linguistically competent within a wide variety of public and private settings*" (p. 2). This can be done by providing complete, accurate, and the most up-to-date information about a client's mental health history to the service provider or the client and his/her family in order to reduce error, improve care coordination, increase client and family mental health literacy, and improve communication between clients and service providers (p. 2).

b. What is also crucial here is that information is available in a language that the client and his/her family understand for this "*allows for client and family input and communication with their service provider in a culturally and linguistically competent manner*." (p. 3)

2. The second goal of Technological Need Projects is to:

   a. "*modernize and transform clinical and administrative information systems to ensure quality of care, parity, operational efficiency and cost effectiveness*" through various projects such as the Electronic Health Record System Project (pp. 2, 6).

Innovation is defined in the Proposed Guidelines for the Mental Health Services Act Innovation (INN) Component of the Three-Year Program and Expenditure Plan as a project that aims to contribute to learning, not necessarily in providing a lasting service. (p. 5) [xxii] In other words, it is a chance to "*try-out*" different strategies by:

- introducing entirely new practices/approaches,
- altering an existing practice/approach, or
- introducing a new application of a practice/approach that shows potential or has been successful in a non-mental health context (pp. 5-6).

A clarification is made that:

> "a practice/approach that has been successful in one community mental health setting cannot be funded as an INN project in a different community even if the practice/approach is new to that community, unless it is changed in a way that contributes to the learning process." (p. 6)

Also, many INN projects will not be successful but are still seen as worthwhile if they somehow contribute to the learning process (p. 6). Basically, if INN projects in one way or another add to learning and meet certain standards, they can be applied in almost any area of the mental health system (p. 7). Finally, for INN projects that are successful, they may only be continued in the long-term if funding is supplied by a different source (p. 10).

A table showing total expenditures and component expenditures by county/municipality is contained in Appendix A.

Source of Information: The data sources available to the team at the time of analysis and writing included:

1. **Revenue and Expenditure Reports for Fiscal Years 2006 – 2007, 2007 – 2008, and 2008 – 2009**.[xxiii] Revenue and Expenditure Reports are completed by each county mental health department, and document all monies spent and were available to be spent on mental health services through the Mental Health Services Act. The UCLA/EMT Team summarized all public mental health expenditures documented in the Revenue and Expenditure Reports. Therefore, the expenditures for components authorized under the Mental Health Services Act and reported in this brief include:

    - Mental Health Services Act
    - State General Fund
    - Other State Funds
    - Medi-Cal FFP
    - Medicare
    - Other Federal Funds
    - Realignment
    - County Funds
    - Other Funds

2. **Component Allocations and Approved Amounts for Fiscal Years 2006 – 2007, 2007 – 2008, and 2008 – 2009:** MHSA Component allocations and approved MHSA amounts for each county and municipality are documented by the California Department of Mental Health in Excel files available through the State website. [xxiv] MHSA component allocations represent the amount of MHSA money for each component set aside for each county and municipality, and the approved MHSA amount represents the actual dollar amount that the county/municipality received out of the designated fiscal year monies The UCLA/EMT Team summarized all component allocations and approved amounts documented in the Component Allocations and Approved Amount files.

This series of briefs on California's Investment in the Public Mental Health System is a new series of reports. Analysis of the Revenue and Expenditure Reports submitted by counties/municipalities from a cross-site perspective is a new undertaking, and therefore inconsistencies in reporting were uncovered.[xxv] In addition, the Revenue and Expenditure Reports represent expended and unexpended funds related to MHSA core components, as reported by counties/municipalities, as of April 1, 2011. As such, this series of briefs reflects the best available expenditure data at the time. The UCLA/EMT Team fully recognizes that the Revenue and Expenditure Reports are currently under review at DMH and by the counties/municipalities, and that the process of reporting out on expended and unexpended funds may change in the future.[xxvi]

There are also limitations inherent in the Revenue and Expenditure Reports. Please see Appendix D for a discussion of these limitations.

II. Components on which Monies were Expended under the Mental Health Services Act

The Mental Health Services Act provides funding to county mental health departments in order to provide a continuum of care, ranging from prevention and early intervention through treatment and emergency intervention. The Mental Health Services Act also provides funding to support upgrades to the public mental health system, including infrastructure, technology and training. The specific continuum of care and upgrades to the public mental health system required under the MHSA are collectively referred to as "*components*." The MHSA specifies five major "*components*" to be funded under the act.

Table 1 displays the number of counties and municipalities who, through DMH's Component Allocation and Approved Amounts Excel file, are documented as being allocated and approved for money on at least one of the required Mental Health Services Act components during the time period for which data was provided by the California Department of Mental Health. [xxvii]

Note that although there are 58 counties in California, two counties receive joint funding. There are a total of two city-run programs, bringing the total number of counties/municipalities to 59.[xxviii] MHSA total Allocated and Approved amounts are displayed in Appendix C. Amounts by county and component are contained in the appendices of the attendant component brief.

Table 1. Number of Counties/Municipalities Allocated/Approved Monies by Component and Fiscal Year (FY 06-07 to FY 08-09)

Acronym	Component	06-07		07-08		08-09	
CSS	Community Services and Supports	59	100%	59	100%	59	100%
WET	Workforce Education and Training	59	100%	59	100%	2	3%
PEI	Prevention and Early Intervention	--	--	59	100%	59	100%
CF/TN	Capital Facilities/Technological Needs	--	--	59	100%	59	100%
INN	Innovation	--	--	--	--	59	100%

Recall that the amounts allocated and approved in each fiscal year represent the time period to which DMH assigns the monies eventually distributed to counties and municipalities. The fiscal year displayed above in Table 1 does not necessarily represent the time period within which the monies were distributed to the counties/municipalities.

WET and CF/TN have a ten-year reversion period – counties and municipalities were asked to submit plans for a ten-year period, rather than the three-year period required for Community Services and Supports and Prevention and Early Intervention.[xxix] Hence, most of the WET monies were allocated and approved out of FY 06-07 and 07-08 MHSA monies.

Table 2. Number of Counties/Municipalities Expending Funds by Component and Fiscal Year (FY 06-07 to FY 08-09)

Acronym	Component	06-07		07-08		08-09	
CSS	Community Services and Supports	54	95%	58	100%	59	100%
WET	Workforce, Education and Training	4	7%	34	65%	40	68%
PEI	Prevention and Early Intervention	--	--	27	47%	48	81%
CF/TN	Capital Facilities/Technological Needs	--	--	--	--	8	14%
INN	Innovation	--	--	--	--	6	10%

Table 2 displays the number of counties and municipalities who, through the Revenue and Expenditure Reports, documented spending money on at least one of the required Mental Health Services Act components during the time period for which data was provided by the California Department of Mental Health.[xxx] MHSA expenditures by county/municipality are displayed in Appendix A.

The data contained in Table 2 suggest a graduated rollout of services under the Mental Health Services Act. The California Department of Mental Health (2010) reports that the staggered implementation of services and supports was intentional "*Because of the complexity of each component.*" (p. 2)[xxxi]

During the first year for which expenditure data was available through the Revenue and Expenditure Reports (2006-2007) –

Community Services and Supports was the sole component upon which funds were expended. Community Services and Supports funds were expended in the majority of counties.

Services provided under this umbrella term are envisioned to be part of a "*System of Care.*" [xxxii] The California Department of Mental Health describes Community Services and Supports as:

> the programs and services identified by each County Mental Health Department (County) through its stakeholder process to serve unserved and underserved populations, with an emphasis on eliminating disparity in access and improving mental health outcomes for racial/ethnic populations and other unserved and underserved populations. (p. 2)

During the second year for which expenditure data was available through the Revenue and Expenditure Reports (2007 – 2008) –

Prevention and Early Intervention funds were expended by slightly more than half of the counties.

There are a range of services provided under the umbrella of prevention and early intervention, but a common theme is that expenditures on these efforts are supposed to support programs to reach individuals and family members who cannot be reached through the traditional mental health system and/or the Community Services and Supports continuum of care.

Workforce Education and Training funds were expended in nearly half of the counties. Expenditures on programs in this area is supposed to directly increase the number of individuals qualified to provide services to address serious mental illness (WIC 5820).

In the third year for which expenditure data was available through the Revenue and Expenditure Reports (2008 – 2009) –

Capital Facilities/Technological Needs and Innovation. Capital Facilities/Technological Needs funds were expended by eight counties. Innovation funds were expended by six counties.

Table 3 displays the total amount of money spent on each service (CF and TN are separated out in Table 3) or component, in each Fiscal Year.

Table 3. Total Amount Expended by Service/Component and Fiscal Year (FY 06-07 to FY 08-09)[xxxiii, xxxiv]

	MHSA Expenditures FY 06–07			MHSA Expenditures FY 07–08			MHSA Expenditures FY 08-09			Total
	Amount Expended	*N of Counties*	*Percent*	*Amount Expended*	*N of Counties*	*Percent*	*Amount Expended*	*N of Counties*	*Percent*	*Expended*
CSS	$237,605,916.58	54	99.9%	$559,787,291.15	58	98.6%	$857,639,572.60	59	95.0%	$1,655,032,780.33
WET	$171,535.75	4	0.1%	$4,968,480.08	34	0.9%	$17,215,714.35	40	2.0%	$22,355,730.18
PEI	--	--	--	$2,698,943.33	27	0.5%	$17,323,880.57	48	2.0%	$20,022,823.90
CF	--	--	--	--	--	--	$3,009,714.89	8	0.3%	$3,009,714.89
TN	--	--	--	--	--	--	$7,691,427.34	8	0.9%	$7,691,427.34
INN	--	--	--	--	--	--	$34,973.11	6	0.003%	$34,973.11
Total	**$237,777,452.33**	--	**100%**	**$567,454,714.58**	--	**100%**	**$902,915,282.86**	--	**100%**	**$1,708,147,449.75**

Just over 1.7 billion had been expended on MHSA activities as of FY 2008 – 2009. Table 3 illustrates, as expected, that the bulk of monies are expended on Community Services and Supports. Other summary expenditure highlights as of FY 2008 – 2009:

- $1.65 billion in Community Services and Supports expended
- $22 million toward Workforce Education and Training expended
- $20 million expended toward Prevention and Early Intervention
- $3 million expended toward Capital Facilities and nearly $7.7 million expended toward Technological Needs (these two, together, represent one component)

Table 4 provides a brief explanation of expended and unexpended funds, and Table 5 displays component expenditures and the amount of money that was available to be spent, but was not spent.[xxxv] Note that the data source used for this brief was the Revenue and Expenditure Reports submitted by counties and municipalities for FY 2006 – 2007, 2007 – 2008 and 2008 – 2009.

Table 4. Expended and Unexpended Funds – Brief Summary

Expended Funds

Approving Entity	Component	Action Taken	DMH sends $	Counties Expend Funds	--
DMH	CSS, WET, CF/TN	Approval for MHSA funding	√	√	--
MHSOAC	PEI/INN	Approval for MHSA funding	√	√	--

Unexpended Funds

Approving Entity	Component	Action Taken	DMH sends $	Counties can't expend funds*	Carry-over/ prior FY**
DMH	CSS, WET, CF/TN	Approval for MHSA funding	√	√	√
MHSOAC	PEI/INN	Approval for MHSA funding	√	√	√

*for various reasons, but funds are available to be spent; **MHSA carry over monies; not subject to reversion

Table 5. Monies Expended and Unexpended by Service/Component and Fiscal Year (FY 06-07 to FY 08-09)

	MHSA Expenditures FY 06-07		MHSA Expenditures FY 07-08		MHSA Expenditures FY 08-09		Total
	Expended	*Unexpended*	*Expended*	*Unexpended*	*Expended*	*Unexpended*	*Expended*
CSS	$237,605,916.58	$339,859,118.10	$559,787,291.15	$378,682,676.99	$857,639,572.60	$290,039,283.15	$1,655,032,780.33
WET	$171,535.75	-$70,741.63	$4,968,480.08	$7,677,400.91	$17,215,714.35	$70,486,289.74	$22,355,730.18
PEI	--	--	$2,698,943.33	$16,389,305.25	$17,323,880.57	$190,674,286.41	$20,022,823.90
CF	--	--	--	--	$3,009,714.89	$6,516,570.51	$3,009,714.89
TN	--	--	--	--	$7,691,427.34	$15,398,299.85	$7,691,427.34
INN	--	--	--	--	$34,973.11	$29,495,784.83	$34,973.11
Total	**$237,777,452.33**	**$339,788,376.47**	**$567,454,714.58**	**$402,749,383.15**	**$902,915,282.86**	**$602,610,514.49**	**$1,708,147,449.75**

Unexpended funds does not include "*undistributed*" funds – monies at DMH that have not yet been sent to counties/municipalities. Undistributed funds are not included in the analysis because they are not included in the Revenue and Expenditure Report. The Revenue and Expenditure Report was chosen as the primary data source because it provides an accounting of expended funds (monies spent). The key questions for the Investment series of briefs (p. 2) are all related to monies spent. Analysis of undistributed funds was not deemed essential to answering these questions at this point in time.

There is a negative balance in the unexpended funds column for FY 2006 – 2007 because of DMH guidance to show expenditures in the year incurred, and revenue in the year received. [xxxvi] The Revenue and Expenditure Report for FY 2006 – 2007 was structured in such a way that all WET

Planning Expenditures were subtracted out on the Unexpended Funds worksheet, and counted as a negative balance.[xxxvii] In essence, the negative balance is a result of the reporting instructions.

Table 5 illustrates, as expected, the proportion of Community Services and Supports monies unexpended to expended declines over time, as counties/municipalities accessed funds in order to implement services. During the earlier phases of Community Services and Supports, hold-ups at the State level in approving county mental health department plans were cited as another obstacle to timely release of funds. [xxxviii] Findings as of FY 2008 – 2009 suggest that concerns raised in the audit report have been addressed.

The proportion of PEI monies unexpended is far in excess of monies expended, even beyond the launch year and into the second year of expenditures (FY 08 – 09). However, Prevention and Early Intervention expenditures have inherent complexities due to the nature of guidance provided by the California Department of Mental Health.[xxxix , xl]

The imbalance in the proportion of WET and CF/TN monies unexpended to expended (with far more monies on the unexpended side) is not unexpected because counties and municipalities were asked to submit plans for a ten-year period, rather than the three-year period required for Community Services and Supports and Prevention and Early Intervention.[xli] For Workforce Education and Training, expenditures were only in the third of ten years by FY 2008 – 2009. Capital Facilities/Technological Needs were only in the first of ten years in FY 2008 – 2009.

The proportion of Innovation monies unexpended to expended (with far more monies on the unexpended side) is not unexpected because FY 2008 – 2009 was the launch year for Innovation expenditures.

Figures 3, 4 and 5 illustrate the proportion of unexpended to expended monies for Mental Health Services Act components. The data in the figures show that, as a percentage of the total, the proportion of unexpended funds decreased over time as components were approved for expenditures, and as funds were expended. This finding is consistent with the expectation that as counties become ready to implement programs, more funds are drawn down to operate those programs, thereby leaving less of a balance in the unexpended funds pool. Despite the inclusion of rollover monies the percent unexpended declined in each subsequent fiscal year. The decline in the proportion of unexpended to expended funds is expected, as counties accessed funds to roll out components under the Mental Health Services Act.[xlii]

Figures 3, 4, 5. Proportion of Expended to Unexpended Funds

Figure 3. FY 06-07

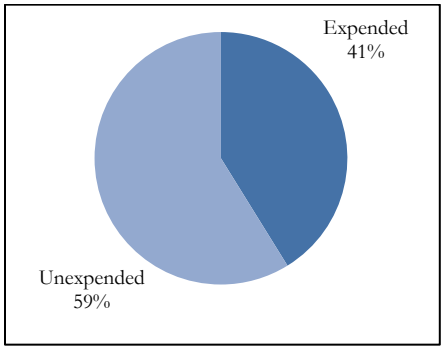


Figure 4. FY 07-08

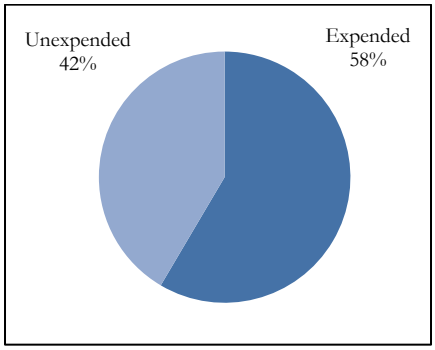
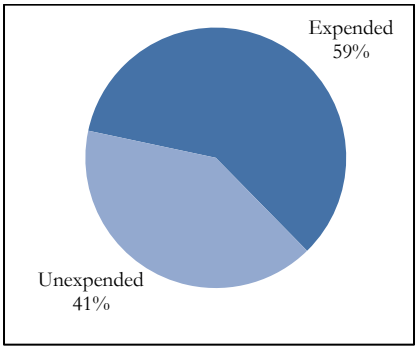


Figure 5. FY 08-09



The Component Allocations and Approved Amounts (from the California Department of Mental Health's Excel files, downloaded from their website)[xliii] are compared to the total amount expended and unexpended in each Fiscal Year, in Tables 6 (FY 06-07), 7 (FY 07-08) and 8 (FY 08-09). Note that Component Allocations and Approved Amounts are made available for a period of three years,[xliv] whereas the Expended and Unexpended funds displayed in Tables 6, 7 and 8 each represent a single fiscal year. The Component Allocations and Approved Amounts are presented jointly because the amounts did not vary.

Recall that the amounts allocated and approved in each fiscal year represent the time period to which DMH assigns the monies eventually distributed to counties and municipalities. The fiscal year displayed in Tables 6, 7, and 8 do not necessarily represent the time period within which the monies were distributed to the counties/municipalities.

Table 6. Monies Expended and Unexpended and Component Allocations/Approved Amounts [xlv, xlvi]
(FY 06-07)

	MHSA Expenditures*			FY 06-07
	Expended	***Unexpended***	***Total***	***Component Allocations/Approved Amounts***
CSS	$237,605,917	$339,859,118	$577,465,035	$320,453,101
WET	$171,536	-$70,742	$100,794	$106,070,717
PEI	--	--	--	--
CF/TN	--	--	--	--
INN	--	--	--	--
Total	**$237,777,452**	**$339,788,376**	**$577,565,829**	**$426,523,818**

**Expenditures have been rounded for comparison*

Table 7. Monies Expended and Unexpended and Component Allocations/Approved Amounts (FY 07-08)

	MHSA Expenditures*			FY 07-08
	Expended	***Unexpended***	***Total***	***Component Allocations/Approved Amounts***
CSS	$559,787,291	$378,682,677	$938,469,968	$918,430,987
WET	$4,968,480	$7,677,401	$12,645,881	$110,000,300
PEI	$2,698,943	$16,389,305	$19,088,248.58	$114,756,594
CF/TN	--	--	--	$343,115,862
INN	--	--	--	--
Total	**$567,454,715**	**$402,749,383**	**$970,204,098**	**$1,486,303,743**

**Expenditures have been rounded for comparison*

Table 8. Monies Expended and Unexpended and Component Allocations/Approved Amounts[xlvii] (FY 08-09)

	MHSA Expenditures*			FY 08-09
	Expended	***Unexpended***	***Total***	***Component Allocations/Approved Amounts***
CSS	$857,639,573	$290,039,283	$1,147,678,856	$644,124,260
WET	$17,215,714	$70,486,290	$87,702,004	$184,294
PEI	$17,323,881	$189,512,918	$206,836,799	$239,532,100
CF/TN	$10,701,142	$21,914,870	$32,616,013	$114,091,446
INN	$34,973	$29,495,785	$29,530,758	$71,000,000
Total	**$902,915,283**	**$602,610,514**	**$1,504,364,429**	**$1,068,932,100**

**Expenditures have been rounded for comparison*

Welfare and Institutions Code Section 5892 specifies the percentage of Mental Health Services Act monies to be expended on each component by the State. As of the final Fiscal Year of reporting for the purpose of this report and the cost series (FY 2008 – 2009), the breakout is as follows:

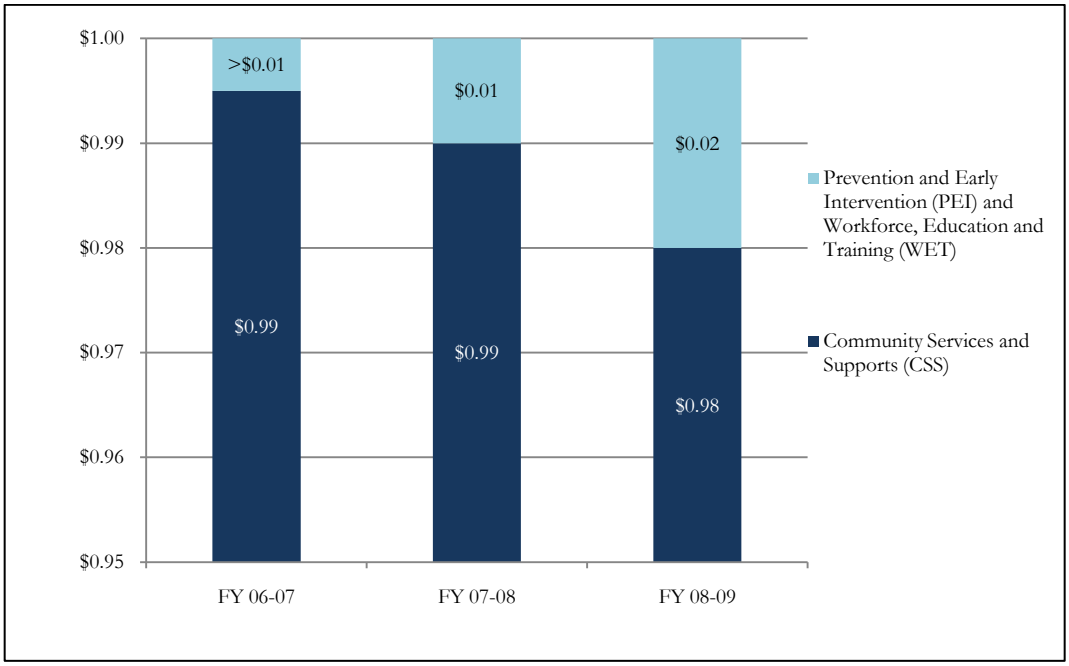
- *State Administration*: up to five percent in each fiscal year
- *Prevention and Early Intervention*: 19 percent, minus five percent for Innovation
- *Community Services and Supports*: 76 percent, minus five percent for Innovation

These breakouts equal 100 percent because, as of FY 2008 – 2009, the MHSA no longer specified a percentage of funding for Capital Facilities/Technological Needs and Workforce Education and Training.[xlviii]

The extent to which most of the MHSA monies are spent on Community Services and Supports is most clearly illustrated in Figure 6. Out of every dollar spent through the Mental Health Services Act, at least 98 cents is expended on Community Services and Supports. The remaining components represent only 2 cents expended out of every MHSA dollar. That is why PEI and WET are combined – otherwise each component on its own would be too small to be seen when MHSA monies are broken out into a dollar scale. Note that the analysis represents expenditures as of FY 2008 – 2009.

Note that the amount expended on State Administration is not included in Figure 6 because the data source analyzed and reported for the purpose of this report was the Revenue and Expenditure Reports submitted by counties and municipalities. Monies to support State Administration does not get taken out at the county and municipal level, and is therefore not relevant for the purpose of this figure.

Figure 6. The Mental Health Services Act Dollar Expended by Component*
(FY 06-07 to FY 08-09)



*CF/TN and INN expenditures were not incurred until 08/09 and are so small that they cannot be graphed using this scale

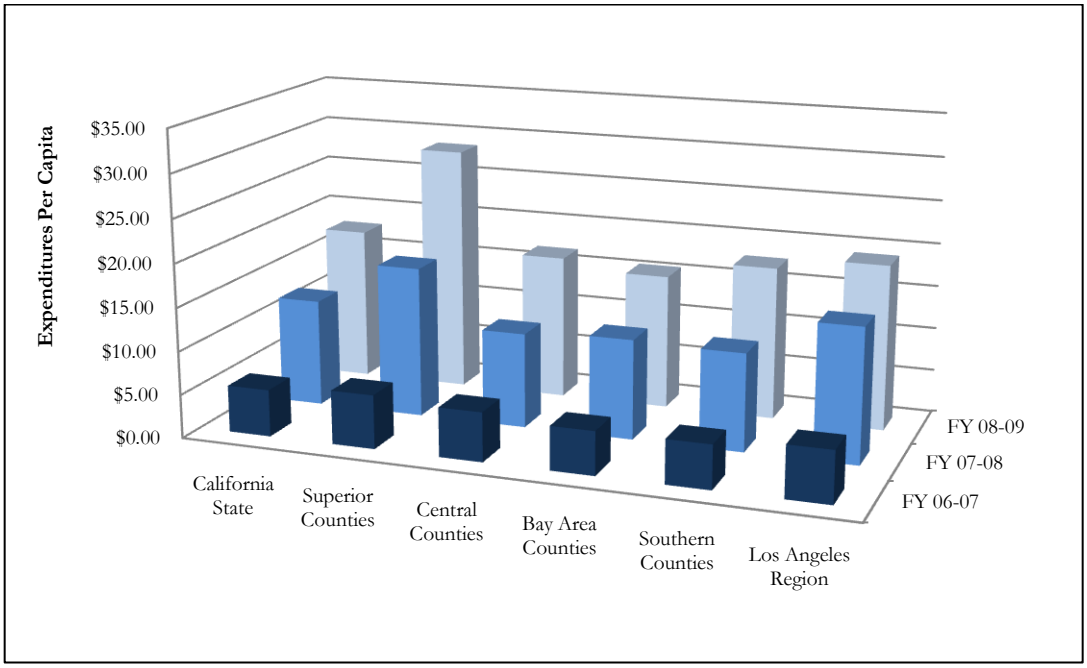
Although Community Services and Supports represents the majority of the MHSA dollar expended for the launch and subsequent two fiscal years, illustrating components in this manner will be useful as Prevention and Early Intervention and others are expended at higher rates in later fiscal years, eventually representing a larger proportion of the MHSA dollar.

III. Contextual Considerations

Although the UCLA/EMT Team does not yet have access to data on individuals served under the Mental Health Services Act, monies spent can still be examined by region in the context of that region's population through the use of census data. This technique provides a snapshot of spending in relationship to population, in order to arrive at a dollar amount per capita spent on MHSA. This technique is used for preliminary comparison purposes only.

Figure 7 illustrates per capita expenditures within county regions and California overall have increased annually. "*Per capita*" means per person. [xlix] Across regions and fiscal years, per capita expenditures were greatest among the Superior counties. Conversely, per capita expenditures were lowest among the Bay Area counties, although not out of line with per capita spending across the state.

Figure 7. MHSA Expenditures Per Capita Relative to State and Region Population [1]
(FY 06-07 to FY 08-09)



However, grouping counties for purpose of analysis by region may mask important contextual factors impacting results. In order to determine potential contextual factors of importance, the UCLA/EMT Team looked to DMH funding guidelines for MHSA. Guidance for distributing funding includes the following factors, described as indicative of "*the need for mental health services*." (p. 2) [li]

1. Total population of each county;

2. Population most likely to apply for services, which equals the sum of:

    a. Households with incomes below 200 percent of the federal poverty level,
    b. Uninsured, and
    c. Population most likely to access services.[lii]

Adjustments are made to the above based on:

1. Cost of being self-sufficient in each county relevant to the statewide average [liii] and

2. Available resources.[liv]

Finally, a minimum level of funding is allocated for small counties (p. 3). A small county is technically defined as one with less than 200,000 people. (p. 8) [lv]

Therefore, grouping counties by region for purpose of analysis may mask important contextual factors driving differences between counties/municipalities, such as the size of the county population. Given the timeline for the first series of briefs and challenges inherent in developing the cross-county database out of the individual Revenue and Expenditure Reports, the UCLA/EMT decided to test the population hypotheses in order to examine the potential impact of this important contextual factor on expenditures.

The UCLA/EMT Team recognizes that we are examining criteria DMH uses to **allocate** or **distribute** funds, and testing to see whether these criteria provide important context for how funds are **expended**. The UCLA/EMT Team clearly understands that allocation/distribution is different from expenditure, and that many things can happen in between the process of allocation/distribution and the time that funds are actually expended, and that those intervening events most certainly can have an impact on expenditures. Nonetheless, given the time frame within which this series of briefs was due and the data sources available, the UCLA/EMT Team made the most of potential existing data sources (e.g., census data) in the attempt to avoid burden on the counties during realignment efforts, while meeting the need to consider important contextual factors.

Figure 8 displays MHSA overall expenditures, but instead of grouping by region, counties are grouped according to population size. [lvi]

Figure 8. Average MHSA Expenditures by County Population
(FY 06-07 to FY 08-09)

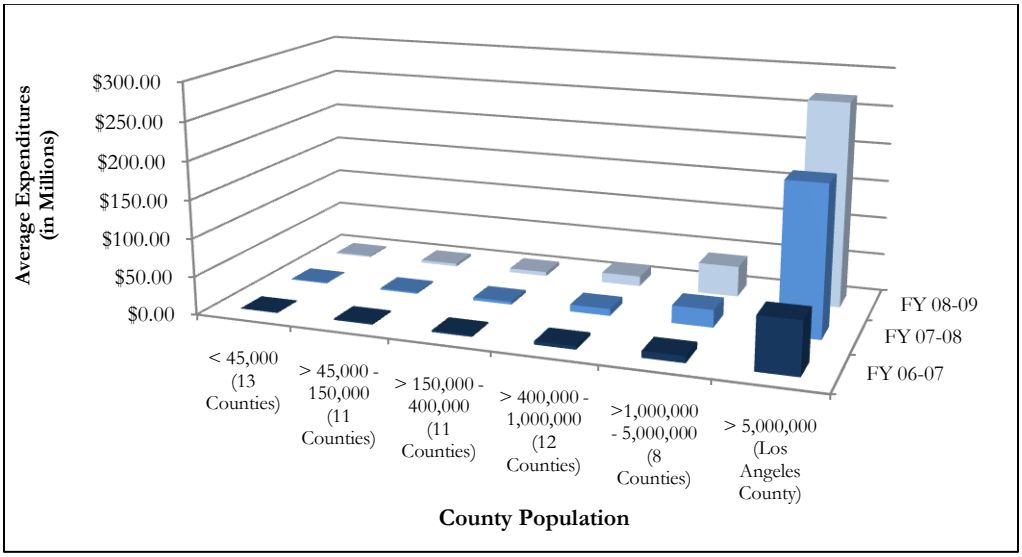


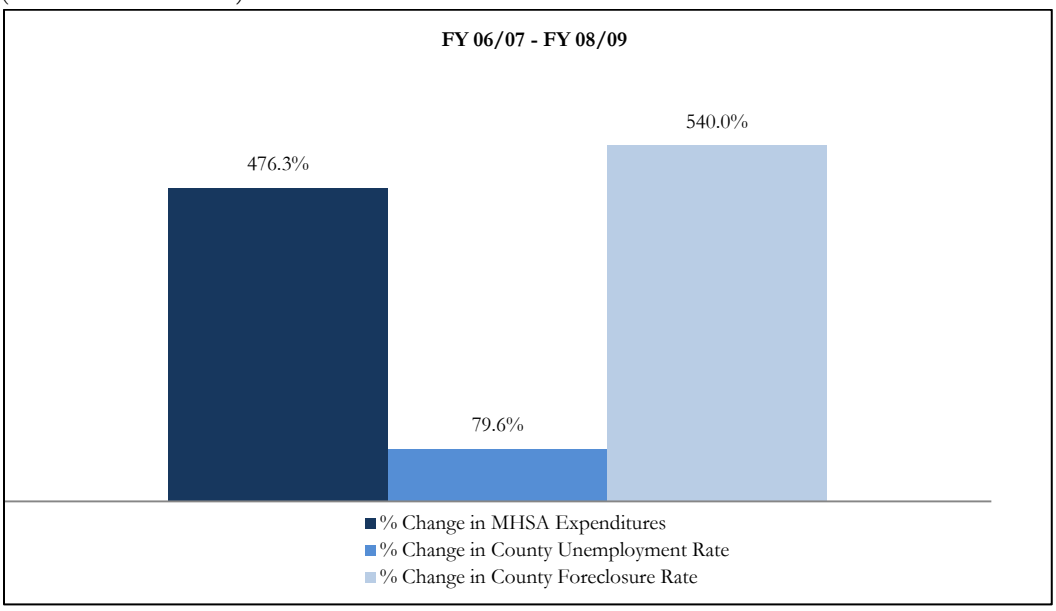
Figure 8 provides a different perspective when compared to organizing counties by region. Regional analyses (Figure 7) demonstrate the success of the California Department of Mental Health's policy of weighting proposals from small counties in order to provide a baseline level of funding. Organizing counties by population size (Figure 8) show the impact of overall county size on expenditures. In brief, the larger a county's population, the more MHSA money is expended. Population size is therefore strongly linked to the level of expenditure. This suggests that the total population is a factor which strongly influences distribution of monies to counties, as well (*recall distribution criteria #1 on p. 23*).

Examining contextual factors such as population size suggest that other factors such as percent within the federal poverty level and uninsured adults and children are also important. Future analyses will examine the impact of these and other contextual factors included in the distribution formula on expenditures. In addition, future analyses (which will incorporate FY 2009-10) will take into account updated distribution guidance issued by DMH (which also impacted FY 2009-10).[lvii]

Unemployment [lviii] and foreclosure [lix] rates represent indicators of the overall economic health of counties/municipalities, and are related in the scientific literature to need for public mental health services. Figure 9 illustrates changes in total MHSA expenditures, next to changes in the state unemployment and foreclosure rates, over the past three fiscal years.

The rate of MHSA expenditures have increased alongside increasing unemployment and foreclosure rates. As these major economic indicators tend to be related to mental health,[lx] this trend suggests that MHSA monies are keeping pace with unemployment and foreclosure rates statewide, particularly when the entire three-year period is examined on balance.

Figure 9. Percent Change in MHSA Expenditures, Unemployment Rate, and Foreclosure Rate (FY 06-07 to FY 08-09)



IV. Summary

Mental Health Services Act Expenditures through June 30, 2009. One critical factor to keep in mind is that these findings are as of State Fiscal Year 2008 – 2009, due to when fiscal years close out and are verified by the State Department of Mental Health.

Recent changes in the fiscal landscape may have produced changes in the findings reported below. Nonetheless, the findings are important for counties and policymakers alike to keep in mind when considering simplifying regulations in order to ensure access to services by populations in need:

Cross-Component Findings:

- *Breakout of the Local MHSA Dollar:* Expenditures to support a System of Care through Community Services and Supports comprises 98 cents out of every Mental Health Services Act dollar. This proportion is in keeping with Welfare and Institutions Code Section 5892, which specifies the percentage of Mental Health Services Act monies to be expended on each component.

- *Baseline Expenditures in Small Counties*: Per capita analysis of MHSA expenditures (*CSS, PEI, WET*) [lxi] supports, by proxy, what appears to be the end result of DMH policy to provide a baseline of funding to small counties. Per capita expenditures in small counties either matched or exceeded the statewide per capita amount (depending upon the fiscal year, and the region).

- *Contextual Factors Related to Component Expenditures*: Population (size of population in county/municipality) is strongly related to overall MHSA (*CSS, PEI, WET, TN*) [lxii] expenditures, with expenditures increasing as county population increases. Future briefs will examine the impact of other key contextual factors such as the rate of uninsured, poverty level, and ethnic makeup of the county/municipality.

- *Statewide Trends impacting Need for Mental Health Services*: Unemployment and foreclosure rates represent indicators of the overall economic health of counties/municipalities, and are related in the scientific literature to need for public mental health services. Examination of unemployment and foreclosure data over time suggest that MHSA providers may be called upon to serve more people in need, and that the rate of MHSA (*CSS and WET*) [lxiii] funding is keeping pace with indicators perceived to drive increased need for public mental health services.

Community Services and Supports:

- *Implementation of Community Services and Supports across the State:* As of FY 2008 – 2009, all counties and municipalities were expending funds on Community Services and Supports.

- *Meeting the FSP Allocation Requirement*: Analysis of Revenue and Expenditure Report data submitted by counties to the California Department of Mental Health for Fiscal Years 2006 – 2007 through 2008 – 2009 show that the statewide requirement to direct the majority of Community Services and Supports monies on Full Service Partnership services was met.

Full Service Partnership:

- *Implementation of Full Service Partnerships across the State*: As of FY 2008 – 2009, all counties and one municipality were expending funds on Full Service Partnerships.

- *Contextual Factors Related to Full Service Partnership Expenditures*: The DMH policy to weight funding to provide a baseline level for the smallest counties resulted in higher per-capita expenditure in the smallest counties.

- *Who is Providing Full Service Partnership Services?* In the first year for which expenditure data was available through the Revenue and Expenditure Report, (FY 06-07), counties and municipalities relied more heavily on county staff to implement Full Service Partnerships. However, the proportion of expenditures shifted to contractors in later implementation years.

    - The proportion expended on county contractors was associated with county population – the greater the population, the greater the proportion expended on contractors. The reliance on contractors is within the scope of MHSA in order for counties to reach under-served and un-served populations.

Outreach and Engagement:

- *Spread of Community Services and Supports through Outreach and Engagement across the State*: As of FY 2008 – 2009, the majority of counties/municipalities were expending monies on Outreach and Engagement.

- *Contextual Factors Related to Outreach and Engagement Expenditures*: The DMH policy to weight funding to provide a baseline level for the smallest counties resulted in higher per-capita expenditure in the smallest counties.

When Outreach and Engagement expenditures are examined in aggregate comparing the proportion spent on contractors compared to county, the majority of expenditures appear to be at the county level. However, when the results are broken out and examined by county population, it becomes clear that, due to size, Los Angeles County data skews the results. Los Angeles County employs the System Navigator program in order to engage Transition Age Youth. Although this approach is entirely consistent with the intent of the MHSA, differences based on population highlight the importance of examining expenditures according to contextual factors. For other counties across the state, population is directly related to increasing shift of expenditures from county to contractors, increasing with the size of the county population.

General System Development:

- *Strategies and Activities*: Three in four counties expending funds under "*General System Development*" documented a specific strategy being implemented under the General System Development category in their Annual Update. Strategies documented are in alignment with DMH guidance for General System Development as a mechanism to "*improve programs, services and supports*."

- *Cross-category Expenditures* within Community Services and Supports has led to some overlap between Outreach and Engagement. Examination of the need for General System Development as a unique category should be considered.

Workforce, Education, and Training:

- *Spread of Workforce, Education and Training across the State*: The majority of counties were expending funds by FY 2007 – 2008 on Workforce, Education, and Training.

- *WET Planning Expenditures*: During the first year for which Workforce, Education and Training expenditure data was available through the Revenue and Expenditure Report (FY 2006 – 2007), the majority of WET Planning funds were expended on Workforce Staffing and Support. During later fiscal years, the proportion of WET Planning funds expended shifted to Training and Technical Assistance. This shift is consistent with expected implementation needs of staff and contractors.

- *WET Categories*: Comparison of the categories under which Planning funds were expended in FY 2007 – 2008 and WET Plan funds were expended in FY 2008 - 2009 suggest that the utility of FIP, MHCPP, and RIP as unique categories under WET Planning may be limited.

Prevention and Early Intervention:

- *Prevention and Early Intervention is rolling out across the State*: As of FY 2008 -2009, nearly a quarter of counties/municipalities were expending funds on Prevention and Early Intervention. Other counties/municipalities were in the process of preparing to launch PEI services. In FY 2008 – 2009, 42 counties/municipalities were expending planning funds in preparation for PEI launch.

- *Number of Programs*: Among counties implementing PEI programming, the majority are expending funds on one program.

- *Imbalance of Unexpended Funds*: In Fiscal Year 2008 – 2009, unexpended funds represented over 90 percent of PEI monies allocated. However, Prevention and Early Intervention is a new component for counties and municipalities. The earliest implementation date was in FY 2007 – 2008, following MHSOAC/DMH PEI plan guidance release. In addition, the shift from treatment to prevention and early intervention represents a system-level change for many, if not most public mental health systems. The planning period was designed to incorporate of prevention and early intervention concepts, as well as to engage with potential new partnerships that may not have been actively engaged in the public mental health system in an advisory capacity in the past (e.g. school districts).

Technological Needs, Capital Facilities, and Innovation:

- *Activities Funded*: Most technology funds were expended on projects (*rather than on administration*), whereas most capital facilities funds were expended on administration or projects, depending upon the size of the county and implementation needs.

- *Number of Projects*: Among counties and municipalities who launched CF/TN efforts, they tended to focus their efforts on a single project (e.g., renovation) rather than spreading their resources across multiple projects.

Implications for the Statewide Evaluation:

- Access to individual level (client) data will greatly strengthen the Follow Up Report, in terms of the ability to tie expenditure data to client impact. This data is expected to be available for analysis in the Follow Up Report (due June 30, 2012).

- Expenditures for the same programs are documented under multiple services within Community Services and Supports. The Statewide Evaluator will coordinate with the

MHSOAC in order to develop recommendations to improve clarity in order to more clearly track expenditures back to funded strategies.

- *Prudent reserve monies may be mixed in with unexpended funds reported out as carried over from previous fiscal years:* For clarity and consistency between the Revenue and Expenditure Reports and the Plan Updates, a separate line item for reporting prudent reserve balances would be a helpful addition to the Revenue and Expenditure Report.

Appendix A:

MHSA Expenditures Total Expenditures by County/Municipality: FY 2006 – 2007

County	Total Mental Health Expenditures	Component	
		Community Services and Supports	Workforce Education and Training
Alameda	**$4,729,115.44**	$4,729,115.44	--
Alpine	**--**	--	--
Amador	**$177,302.00**	$177,302.00	--
Berkeley City	**$330,370.00**	$330,370.00	--
Butte	**$806,532.00**	$806,532.00	--
Calaveras	**$283,124.00**	$281,474.00	$1,650.00
Colusa	**$1,432,721.00**	$1,432,721.00	--
Contra Costa	**$1,818,935.11**	$1,818,935.11	--
Del Norte	**$386,966.00**	$386,966.00	--
El Dorado	**$1,130,753.03**	$1,130,753.03	--
Fresno	**$621,487.83**	$621,487.83	--
Glenn	**$392,566.00**	$392,566.00	--
Humboldt	**$4,255,782.44**	$4,255,782.44	--
Imperial	**--**	--	--
Inyo	**$376,100.00**	$376,100.00	--
Kern	**$7,956,783.43**	$7,956,783.43	--
Kings	**$469,386.00**	$469,386.00	--
Lake	**$441,214.73**	$441,214.73	--
Lassen	**$70,268.00**	$70,268.00	--
Los Angeles	**$68,207,652.90**	$68,207,652.90	--
Madera	**$11,177,189.15**	$11,177,189.15	--
Marin	**$1,233,514.04**	$1,233,514.04	--
Mariposa	**$434,203.82**	$434,203.82	--
Mendocino	**$804,987.00**	$804,987.00	--
Merced	**$2,536,206.65**	$2,374,582.06	$161,624.59
Modoc	**$260,942.00**	$260,942.00	--
Mono	**$406,996.00**	$406,996.00	--
Monterey	**$5,629,383.37**	$5,626,483.37	$2,900.00
Napa	**$998,178.00**	$998,178.00	--
Nevada	**$67,508.81**	$67,508.81	--
Orange	**$18,607,507.50**	$18,607,507.50	--
Placer	**$3,329,150.51**	$3,329,150.51	--
Plumas	**$137,814.00**	$137,814.00	--
Riverside	**$8,019,278.85**	$8,019,278.85	--
Sacramento	**$7,948,066.28**	$7,948,066.28	--
San Benito	**$856,985.00**	$856,985.00	--
San Bernardino	**$5,463,399.96**	$5,463,399.96	--
San Diego	**$18,338,081.09**	$18,338,081.09	--
San Francisco	**$4,207,994.42**	$4,207,994.42	--
San Joaquin	**$812,417.01**	$812,417.01	--
San Luis Obispo	**$2,182,552.42**	$2,177,191.26	$5,361.16
San Mateo	**$8,660,381.35**	$8,660,381.35	--
Santa Barbara	**$3,609,683.00**	$3,609,683.00	--
Santa Clara	**$3,539,256.02**	$3,539,256.02	--
Santa Cruz	**$8,853,142.00**	$8,853,142.00	--
Shasta	**$1,035,944.86**	$1,035,944.86	--
Sierra	**--**	--	--
Siskiyou	**$383,767.35**	$383,767.35	--
Solano	**$2,192,616.30**	$2,192,616.30	--
Sonoma	**$6,218,784.19**	$6,218,784.19	--
Stanislaus	**$5,690,525.72**	$5,690,525.72	--

MHSA Expenditures Total Expenditures by County/Municipality:
FY 2006 – 2007

County	Total Mental Health Expenditures	Component	
		Community Services and Supports	Workforce Education and Training
Sutter-Yuba	**$1,502,087.27**	$1,502,087.27	--
Tehama	**--**	--	--
Tri-Cities	**--**	--	--
Trinity	**$243,909.30**	$243,909.30	--
Tulare	**$4,433,766.83**	$4,433,766.83	--
Tuolumne	**$5,298.00**	$5,298.00	--
Ventura	**$2,525,891.49**	$2,525,891.49	--
Yolo	**$1,495,982.87**	$1,495,982.87	--

MHSA Expenditures Total Expenditures by County/Municipality: FY 2007-2008

County	Total Mental Health Expenditures	Component		
		Community Services and Supports	Workforce Education and Training	Prevention & Early Intervention
Alameda	**$14,933,109.00**	$14,933,109.00	--	--
Alpine	**$228,314.00**	$228,314.00	--	--
Amador	**$431,555.00**	$431,555.00	--	--
Berkeley City	**$1,738,057.00**	$1,654,031.00	--	$84,026.00
Butte	**$3,566,135.00**	$3,490,727.00	$16,829.00	$58,579.00
Calaveras	**$859,918.00**	$804,286.00	$29,812.00	$25,820.00
Colusa	**$1,815,115.00**	$1,811,815.00	$3,300.00	--
Contra Costa	**$9,825,372.00**	$9,752,612.00	$69,050.00	$3,710.00
Del Norte	**$742,051.50**	$742,051.50	--	--
El Dorado	**$2,170,245.62**	$2,144,724.69	$11,750.00	$13,770.93
Fresno	**$7,961,988.51**	$7,889,411.39	$72,577.12	--
Glenn	**$1,339,952.00**	$1,339,952.00	--	--
Humboldt	**$6,154,880.00**	$6,149,930.00	$4,950.00	--
Imperial	**$1,513,497.97**	$1,513,497.97	--	--
Inyo	**$513,726.00**	$513,726.00	--	--
Kern	**$13,387,353.46**	$13,387,353.46	--	--
Kings	**$1,240,260.00**	$1,214,995.00	$25,265.00	--
Lake	**$1,316,778.65**	$1,316,778.65	--	--
Lassen	**$851,432.00**	$843,780.00	--	$7,652.00
Los Angeles	**$198,155,838.88**	$195,666,274.48	$1,635,416.40	$854,148.00
Madera	**$2,757,173.00**	$2,757,173.00	--	--
Marin	**$4,685,156.72**	$4,655,096.72	$13,400.00	$16,660.00
Mariposa	**$810,163.64**	$810,163.64	--	--
Mendocino	**$1,982,762.00**	$1,982,762.00	--	--
Merced	**$3,951,397.40**	$3,783,779.24	$74,366.32	$93,251.84
Modoc	**$405,801.00**	$377,244.00	$28,557.00	--
Mono	**$557,525.44**	$398,619.44	$77,806.00	$81,100.00
Monterey	**$10,964,263.28**	$10,565,409.61	$262,237.14	$136,616.53
Napa	**$2,670,874.22**	$2,602,457.07	$15,030.00	$53,387.15
Nevada	**$1,256,448.51**	$1,252,870.20	$3,578.61	--
Orange	**$33,723,344.91**	$33,071,203.05	$457,851.82	$194,336.54
Placer	**$5,612,980.00**	$5,467,044.22	$85,472.36	$60,463.42
Plumas	**$413,792.00**	$386,777.00	$27,015.00	--
Riverside	**$28,063,715.17**	$27,676,117.09	$360,052.48	$27,545.60
Sacramento	**$11,452,309.57**	$11,452,309.57	--	--
San Benito	**$1,272,041.00**	$1,272,041.00	--	--
San Bernardino	**$29,104,767.94**	$28,276,054.19	$623,946.00	$204,767.75
San Diego	**$40,464,468.78**	$40,124,134.42	$261,760.00	$78,574.36
San Francisco	**$8,542,411.82**	$8,542,411.82	--	--
San Joaquin	**$7,599,343.00**	$7,539,361.75	$59,981.25	--
San Luis Obispo	**$4,687,539.84**	$4,591,336.11	$3,507.00	$92,696.73
San Mateo	**$10,373,129.00**	$10,140,010.00	$179,119.00	$54,000.00
Santa Barbara	**$7,406,947.53**	$7,297,491.34	$109,456.19	--
Santa Clara	**$16,276,921.00**	$16,276,921.00	$48,231.00	$94,293.00
Santa Cruz	**$6,111,274.00**	$6,040,705.00	$24,340.00	$46,229.00
Shasta	**$2,333,309.77**	$2,232,981.45	$1,798.08	$98,530.24
Sierra	**$181,464.00**	$171,494.67	$9,969.33	--
Siskiyou	**$967,646.00**	$964,942.00	$2,704.00	--
Solano	**$6,167,410.37**	$6,165,983.92	$1,426.45	--
Sonoma	**$13,036,586.32**	$12,783,535.72	$111,596.28	$141,454.32
Stanislaus	**$10,680,591.72**	$10,520,050.23	$114,967.49	$45,574.00
Sutter-Yuba	**$3,608,393.22**	$3,608,393.22	--	--
Tehama	**$777,432.42**	$777,432.42	--	--
Tri-Cities	**--**	--	--	--
Trinity	**$689,335.00**	$655,535.00	$33,800.00	--
Tulare	**$5,088,002.44**	$5,088,002.44	--	--
Tuolumne	**$1,213,299.00**	$1,178,101.00	$13,645.00	$21,553.00
Ventura	**$8,161,350.06**	$8,089,824.06	$43,475.00	$28,051.00
Yolo	**$4,515,193.10**	$4,382,598.42	$50,441.76	$82,152.92

MHSA Expenditures Total Expenditures by County/Municipality:
FY 2008 - 2009

County	Total Mental Health Expenditures	Component (Note: Capital Facilities and Technological Needs are considered a single Component)					
		Community Services and Supports	Workforce Education and Training	Capital Facilities	Technological Needs	Prevention & Early Intervention	Innovation
Alameda	**$20,296,330.54**	$20,066,153.49	$230,177.06	--	--	--	--
Alpine	**$135,606.00**	$135,606.00	--	--	--	--	--
Amador	**$2,915,175.00**	$2,786,895.00	$32,232.00	--	--	$96,048.00	--
Berkeley City	**$1,640,376.00**	$1,593,421.00	--	--	--	$46,955.00	--
Butte	**$5,416,988.30**	$5,387,221.45	$11,292.85	--	--	$18,474.00	--
Calaveras	**$1,411,799.00**	$1,411,799.00	--	--	--	--	--
Colusa	**$3,753,431.86**	$3,613,149.15	$42,331.71	--	--	$97,951.00	--
Contra Costa	**$17,415,593.00**	$16,982,248.00	$216,846.00	$102,994.00	--	$113,865.00	--
Del Norte	**$1,600,614.57**	$1,529,364.57	--	--	--	$71,250.00	--
El Dorado	**$3,430,340.14**	$3,353,923.87	$76,416.27	--	--	--	--
Fresno	**$17,245,646.44**	$16,894,916.78	$285,600.22	--	--	$65,129.44	--
Glenn	**$1,929,304.68**	$1,903,658.00	$14,156.68	--	--	$11,490.00	--
Humboldt	**$8,179,095.30**	$8,037,682.00	$297.00	--	--	$141,116.30	--
Imperial	**$5,111,040.00**	$4,937,099.00	--	--	--	$173,941.00	--
Inyo	**$2,890,918.97**	$2,811,368.97	$1,550.00	--	--	$78,000.00	--
Kern	**$21,431,647.39**	$21,148,020.39	$283,627.00	--	--	--	--
Kings	**$2,292,539.00**	$2,219,854.00	$65,412.00	--	--	$7,273.00	--
Lake	**$1,898,582.27**	$1,891,497.83	$3,963.33	--	--	$3,121.11	--
Lassen	**$1,780,753.06**	$1,771,391.24	--	--	--	$9,361.82	--
Los Angeles	**$275,799,194.98**	$265,165,720.98	$7,352,608.00	--	--	$3,280,866.00	--
Madera	**$11,224,230.00**	$11,077,130.00	$55,800.00	--	--	$91,300.00	--
Marin	**$3,962,365.83**	$3,842,257.45	$55,751.51	--	--	$64,356.87	--
Mariposa	**$1,113,977.64**	$1,110,795.02	$38.00	$690.00	--	$2,229.62	$225.00
Mendocino	**$1,770,987.75**	$1,746,962.37	--	--	--	$24,025.38	--
Merced	**$8,417,572.44**	$8,056,482.90	$184,387.00	$5,146.54	$87,731.00	$82,640.00	$1,185.00
Modoc	**$1,582,792.00**	$1,508,086.00	$36,011.00	--	--	$38,695.00	--
Mono	**$903,080.72**	$734,179.72	$67,410.00	--	--	$83,241.00	$18,250.00
Monterey	**$14,712,166.86**	$11,551,219.08	$708,704.44	$83,674.99	$857,207.43	$1,507,364.43	$3,996.49
Napa	**$4,804,116.76**	$4,694,031.76	$24,806.00		--	$85,279.00	--
Nevada	**$7,125,107.14**	$6,886,909.88	--	$230,630.50	--	$7,566.76	--
Orange	**$48,337,763.48**	$43,637,518.14	$1,771,384.52	$1,247,646.86	--	$1,681,213.96	--
Placer	**$6,630,913.15**	$6,000,754.00	$289,648.15	--	--	$340,511.00	--
Plumas	**$1,170,275.00**	$1,047,563.00	$122,712.00	--	--	--	--
Riverside	**$67,304,246.00**	$63,357,766.00	$955,380.00	$942,266.00	$641,612.00	$1,407,222.00	--
Sacramento	**$16,171,910.49**	$15,501,499.72	$37,470.77	--	$632,940.00	--	--
San Benito	**$1,500,447.00**	$1,500,447.00	--	--	--	--	--
San Bernardino	**$55,297,109.94**	$50,607,886.32	$1,509,333.00	--	--	$3,173,724.00	$6,166.62
San Diego	**$66,357,921.36**	$60,522,610.84	$940,223.45	--	$3,316,334.92	$1,573,602.15	$5,150.00
San Francisco	**$11,418,726.06**	$11,295,551.06	$11,554.00	--	--	$111,621.00	--
San Joaquin	**$14,456,226.97**	$14,159,694.26	$146,386.00	--	--	$150,146.71	--
San Luis Obispo	**$6,193,565.72**	$5,847,503.01	$40,145.72	--	$175,244.99	$130,672.00	--
San Mateo	**$15,087,308.00**	$12,997,659.00	$73,781.00	--	$1,907,871.00	$107,997.00	--
Santa Barbara	**$9,623,271.00**	$9,578,460.00	$13,641.00	--	--	$31,170.00	--
Santa Clara	**$38,843,422.00**	$38,018,756.00	$468,182.00	--	--	$356,484.00	--
Santa Cruz	**$7,355,470.70**	$7,079,309.70	$239,132.00	--	--	$37,029.00	--
Shasta	**$4,148,817.00**	$4,011,834.00	$20,250.00	--	--	$116,733.00	--
Sierra	**$702,976.71**	$629,693.71	$48,992.00	--	--	$24,291.00	--
Siskiyou	**$1,038,022.32**	$1,035,318.32	$2,704.00	--	--	--	--
Solano	**$12,635,020.00**	$12,400,959.00	$17,914.00	--	--	$216,147.00	--
Sonoma	**$12,921,572.99**	$12,088,716.25	$139,749.00	$396,666.00	--	$296,441.74	--
Stanislaus	**$14,240,217.00**	$13,566,727.00	$354,267.00	--	--	$319,223.00	--
Sutter-Yuba	**$5,664,717.09**	$5,664,717.09	--	--	--	--	--
Tehama	**$2,080,835.49**	$2,080,835.49	--	--	--	--	--
Tri-Cities	**$709,241.00**	$698,271.00	--	--	--	$10,970.00	--
Trinity	**$1,017,674.00**	$878,147.00	$32,041.00	--	$72,486.00	$35,000.00	--
Tulare	**$7,559,808.46**	$7,410,839.05	$23,571.61	--	--	$125,397.80	--
Tuolumne	**$2,529,945.81**	$2,320,856.62	$55,311.63	--	--	$153,777.56	--
Ventura	**$12,805,563.07**	$11,961,106.07	$130,020.00	--	--	$714,437.00	--
Yolo	**$6,920,561.42**	$6,889,529.07	$22,502.43	--	--	$8,529.92	--

Appendix B: Revenue and Expenditure Reports Received from DMH, by County/Municipality

Counties	FY 06/07	FY 07/08	FY 08/09
Alameda	✓	✓	✓
Alpine	O	✓	✓
Amador	✓	✓	✓
Berkeley City	✓	✓	✓
Butte	✓	✓	✓
Calaveras	✓	✓	✓
Colusa	✓	✓	✓
Contra Costa	✓	✓	✓
Del Norte	✓	✓	✓
El Dorado	✓	✓	✓
Fresno	✓	✓	✓
Glenn	✓	✓	✓
Humboldt	✓	✓	✓
Imperial	✓	✓	✓
Inyo	✓	✓	✓
Kern	✓	✓	✓
Kings	✓	✓	✓
Lake	✓	✓	✓
Lassen	✓	✓	✓
Los Angeles	✓	✓	✓
Madera	✓	✓	✓
Marin	✓	✓	✓
Mariposa	✓	✓	✓
Mendocino	✓	✓	✓
Merced	✓	✓	✓
Modoc	✓	✓	✓
Mono	✓	✓	✓
Monterey	✓	✓	✓
Napa	✓	✓	✓
Nevada	✓	✓	✓
Orange	✓	✓	✓
Placer	✓	✓	✓
Plumas	✓	✓	✓
Riverside	✓	✓	✓
Sacramento	✓	✓	✓
San Benito	✓	✓	✓
San Bernardino	✓	✓	✓
San Diego	✓	✓	✓
San Francisco	✓	✓	✓
San Joaquin	✓	✓	✓
San Luis Obispo	✓	✓	✓

Revenue and Expenditure Reports Received from DMH, by County/Municipality

Counties	FY 06/07	FY 07/08	FY 08/09
San Mateo	✓	✓	✓
Santa Barbara	✓	✓	✓
Santa Clara	✓	✓	✓
Santa Cruz	✓	✓	✓
Shasta	✓	✓	✓
Sierra	✓	✓	✓
Siskiyou	✓	✓	✓
Solano	✓	✓	✓
Sonoma	✓	✓	✓
Stanislaus	✓	✓	✓
Sutter-Yuba	✓	✓	✓
Tehama	✓	✓	✓
Tri City	O	O	✓
Trinity	✓	✓	✓
Tulare	✓	✓	✓
Tuolumne	✓	✓	✓
Ventura	✓	✓	✓
Yolo	✓	✓	✓

O Missing R&E Report

Appendix C: Component Allocations and Approved Amounts[lxiv]

Component Allocations and Approved Amounts – Totals
(FY 2006 – 2007, FY 2007 – 2008, FY 2008 – 2009)
*Component Allocations shown are Published Component Allocations less discretionary transfers and reversion amounts

FY 06-07	
Total CSS *Component Allocations	$ 320,453,101
Total CSS Approved Amounts	$ 320,453,101
Total WET *Component Allocations	$ 106,070,717
Total WET Approved Amounts	$ 106,070,717
Total FY 06- 07 *Component Allocations	$ 426,523,818
Total FY 06-07 Approved Amounts	$ 426,523,818
FY 07-08	
Total CSS *Component Allocations	$ 517,514,087
Total CSS Approved Amounts	$ 517,514,087
Total CSS Housing *Component Allocations	$ 400,916,900
Total CSS Housing Approved Amounts	$ 400,916,900
Total WET *Component Allocations	$ 110,000,300
Total WET Approved Amounts	$ 110,000,300
Total PEI *Component Allocations	$ 114,756,594
Total PEI Approved Amounts	$ 114,756,594
Total CF/TN *Component Allocations	$ 343,115,862
Total CF/TN Approved Amounts	$ 343,115,862
Total FY 07-08 *Component Allocations	$ 1,486,303,743
Total FY 07-08 Approved Amounts	$ 1,486,303,743
FY 08-09	
Total CSS *Component Allocations	$ 644,124,260
Total CSS Approved Amounts	$ 644,124,260
Total WET *Component Allocations	$ 184,294
Total WET Approved Amounts	$ 184,294
Total PEI *Component Allocations	$ 233,532,100
Total PEI Approved Amounts	$ 233,532,100
Total PEI Training & TA *Component Allocations	$ 6,000,000
Total PEI Training & TA Approved Amounts	$ 6,000,000
Total CF/TN *Component Allocations	$ 114,091,446
Total CF/TN Approved Amounts	$ 114,091,446
Total INN *Component Allocations	$ 71,000,000
Total INN Approved Amounts	$ 71,000,000
Total FY 08-09 *Component Allocations	$ 1,068,932,100
Total FY 08-09 Approved Amounts	$ 1,068,932,100
FY 06-07, 07-08, 08-09	
Grand Total *Component Allocations	$ 2,981,759,661
Grand Total Approved Amounts	$ 2,981,759,661

Appendix D: Revenue and Expenditure Reports

Process of Transferring Individual County Excel Files into Master Cross-Site File

The MHSA (FY: 06/07, 07/08, 08/09) Database is an aggregated database containing fiscal data from a total of 59 California counties/municipalities spanning three fiscal year periods, covering 25 program data sets, sourced from 589 distinct file locations, containing a total of 4,498 unique variables, encompassing a grand total of 287,265 distinct data points.

Fiscal Year 2006-2007 contained 1,325 distinct variables provided by 57 counties/municipalities across 6 programs located within 57 separate files containing a total of 72,525 distinct data points.

Fiscal Year 2007-2008 contained 1,265 distinct variables provided by 59 counties/municipalities across 7 programs located within 60 separate files containing a total of 75,900 distinct data points.

Fiscal Year 2008-2009 contained 2,264 distinct variables provided by 59 counties/municipalities across 11 programs located within 472 separate files containing a total of 135,840 distinct data points.

The MHSA Database was constructed through a process of template creation, formula crafting, running transfer protocols and performing validity checks.

Templates were formed via construction of a list of all variables across each program over all three fiscal years. Formula were generated to transfer the values of individual cells to the database template and were compiled to transfer all the relevant data points within a given workbook and, subsequently, entire source-file.

Formulas were crafted for each of the unique variables contained within each program or workbook. Master formulae were crafted for each workbook within a file or fiscal year. The master formulae performed the relocation of each relevant data point, across all programs, within a given file or fiscal year.

Transfer protocols were generated to perform manual and semi-automated opening and closing of files, updating formula and transferring the relevant data values of each fiscal year to the database. Validity checks were performed throughout each stage of the process with full checks on each new formula, random spot checks, specific value checks and redundant report checks.

Challenges/Limitations

Complications in the construction of the database template arose from the systemic variance within a specific program across multiple fiscal years. Each program contains differing sets of reported variables across each fiscal year. Such complexity required the database construction and formulae formats to account for the disparate data formats. This was accomplished through the merger of otherwise identical variables names that were renamed and through the adjustment of cell-specific spacing references in all formulae.

Further complicating the construction of the database was the systemic variance between the three fiscal years in file sets and data locations. While fiscal years 2006-2007 and 2007-2008 are rather similar the 2008-2009 fiscal year is provided in an entirely different file set format. Additionally, each fiscal year contains noteworthy variance in data locations from the other fiscal years. This complexity required the substantial retooling of the formula sets and numerous additional, unique formula sets to be constructed.

However, the most severe complications came as a result of modifications performed by reporting counties to the file names, workbook names and, most significantly, workbook formats. Variances which caused transfer protocols to report incorrect and invalid data points, if not miss the source-data entirely. These issues necessitated the manual reformatting of all files and workbooks locations found to be employing deviant standards and the subsequent manual operation of all associated transfer protocols.

In addition, the FY 2006-2007 and FY 2007-2008 formula cells were not locked. Therefore, counties could modify the formulas and mistakes were made. The UCLA/EMT team therefore had to create summary variables, rather than rely upon the formulas as included in the Revenue and Expenditure Reports.

End Notes

[i] *Mental Health Services Oversight and Accountability Commission Financial Report* to the Mental Health Funding and Policy Committee, January 28, 2010. Appendix A, Table 2A: Community Mental Health Funding Amounts, Role of Major Funding Sources. Fiscal years and amounts reported represent budgeted amounts.
[ii] In FY 2007 – 2008, County Funds represent 1 cent out of every dollar expended, too small to display in Figure 2. In FY 2008 – 2009, Realignment represents 1 cent out of every dollar expended, too small to display in Figure 2.
[iii] California Department of Mental Health (2010, January). *Mental Health Services Act Expenditure Report, Fiscal Year 2010 – 2011*. Sacramento, CA.
[iv] Request for Proposals Q. 8.
[v] Request for Proposals Q. 6.
[vi] Request for Proposals Q. 7.
[vii] Ibid
[viii] California Department of Mental Health (2010, January). *Mental Health Services Act Expenditure Report, Fiscal Year 2010 – 2011*. Sacramento, CA.
[ix] California Institute for Mental Health (2010). *Full Service Partnership Implementation Tool Kits*. Sacramento: Author.
[x] http://www.dmh.ca.gov/DMHDocs/docs/letters05/05-05CSS.pdf
http://www.dmh.ca.gov/DMHDocs/docs/notices08/08-12.pdf
http://www.dmh.ca.gov/DMHDocs/docs/notices08/08-31.pdf
[xi] The Department of Mental Health defined Outreach and Engagement in its Three-Year Program and Expenditure Plan Requirements(filed under "*2005 DMH Letters" in "Letters and Notices*"):
http://www.dmh.ca.gov/DMHDocs/docs/letters05/05-05CSS.pdf
[xii] Ibid
[xiii] California Department of Mental Health (2011, January). *Mental Health Services Act Expenditure Report: Fiscal Year 2010-2011*. Author: Sacramento, CA.
[xiv] http://www.dmh.ca.gov/DMHDocs/docs/notices07/07-14_Enclosure1A.pdf
[xv] Ibid
[xvi] Ibid
[xvii] Ibid
[xviii] Ibid
[xix] http://www.dmh.ca.gov/DMHDocs/docs/notices07/07_19_Enclosure1.pdf
[xx] http://www.dmh.ca.gov/DMHDocs/docs/notices08/08-09_Enclosure_2.pdf
http://www.dmh.ca.gov/DMHDocs/docs/notices08/08-09_Enclosure_1.pdf
[xxi] http://www.dmh.ca.gov/DMHDocs/docs/notices08/08-09_Enclosure_3.pdf
[xxii] http://www.dmh.ca.gov/DMHDocs/docs/notices09/09-02_Enclosure_1.pdf
[xxiii] FY 2006-2007 was the earliest fiscal year for which Revenue and Expenditure Reports were submitted by counties. No counties submitted Revenue and Expenditure Reports (according to the Department of Mental Health) prior to FY 2006-2007. FY 2008-2009 was the most recent year for which Revenue and Expenditure Reports were submitted and completed by at least one quarter of all counties.
[xxiv] http://www.dmh.ca.gov/Prop_63/MHSA/MHSA_Fiscal_References.asp. To access the Excel file, click on "*Component Allocations and Approved Amounts*" under "*County Level Information*" under "*Other Fiscal Information and Reports*."
[xxv] Recommendations for improvements to the Revenue and Expenditure Reports were documented by UCLA/EMT in a separate memo to the MHSOAC.
[xxvi] All expended and unexpended funds data included in this brief was taken from the Revenue and Expenditure Reports, submitted by counties and municipalities to DMH as of April 1, 2011. The UCLA/EMT Team has received communication from the OAC that DMH may be asking for a revision of the FY 2008 – 2009 Revenue and Expenditure Reports, and that the reports may be reverting to a modified accrual basis. When and if this change is made, the UCLA/EMT Team will incorporate any revisions of the database into subsequent versions of the brief.
[xxvii] http://www.dmh.ca.gov/Prop_63/MHSA/MHSA_Fiscal_References.asp.
To access the Excel file, click on "*Component Allocations and Approved Amounts*" under "*County Level Information*" under "*Other Fiscal Information and Reports*."
[xxviii] The number of counties in Fiscal Year 2008 – 2009 is 59 (there are 58 counties in California) because two counties receive joint funding, and two cities receive funding under the Mental Health Services Act.
[xxix] p. 5, http://www.dmh.ca.gov/DMHDocs/docs/notices09/09-22_Enclosure1.docx

[xxx] The contract calls for analysis of expenditures on MHSA from FY 2004 – 2005 through FY 2008 – 2009. However, no county-level expenditures are documented in the Revenue and Expenditure Reports on MHSA until FY 2006 – 2007. FY 2005 – 2006 data is available through the 1995 form, but it is in a different format from the Revenue and Expenditure Report, and it was not possible to accommodate a different format into the master dataset in the timeframe provided for Deliverable 1.A. The team is reviewing feasibility and desirability of analyzing this earliest expenditure data with the MHSOAC for the Follow Up Report due June 30, 2012.

[xxxi] California Department of Mental Health (2010, January). *Mental Health Services Act Expenditure Report, Fiscal Year 2010 – 2011*. Sacramento, CA.

[xxxii] Ibid

[xxxiii] When looking at totals reported for CSS and its services (FSP, GSD, and O&E) it is important to note an inconsistency in reporting expenditures, as a result of deviation from worksheet instructions. This inconsistency occurred for Santa Clara and San Mateo Counties, FY 07-08. Neither are errors that we can correct without going to the counties and a) getting missing data and/or b) asking the counties to classify in the correct categories. We cannot interpret for the counties what was intended.

[xxxiv] DMH included funding under the MHSA for broad community planning (*not tied to any specific component such as Prevention and Early Intervention*) in FY 2006 – 2007 and FY 2007 – 2008. Planning as a stand-alone line item was discontinued in FY 2008 – 2009. The team made a methodological decision for the purpose of reporting clarity and emphasis on component expenditures. Community Planning expenditures in FY 2006 – 2007 and 2007 – 2008 were allocated out to each component proportional to that component's percentage of total expenditures. Expenditures on statewide efforts are not included in this report. This includes statewide PEI efforts and WET Regional Partnerships.

[xxxv] The Revenue and Expenditure Report for FY 2006 – 2007 was structured in such a way that all WET Planning Expenditures were subtracted out on the Unexpended Funds worksheet, and counted as a negative balance. Calaveras, Merced, Monterey, and San Luis Obispo all showed a negative balance on FY 2006-2007.

[xxxvi] http://www.dmh.ca.gov/Prop_63/MHSA/docs/countyplanguidelines4.pdf

[xxxvii] Calaveras, Merced, Monterey, and San Luis Obispo all showed a negative balance on FY 2006-2007.

[xxxviii] Office of State Audits and Evaluations, 2008. *State of California Department of Mental Health Performance Audit*. Sacramento, CA: California Department of Finance.

[xxxix] The MHSOAC also provided significant input into guidance released to counties.

[xl] http://www.dmh.ca.gov/dmhdocs/docs/notices09/09-16.pdf

When the large proportion of unexpended to expended PEI funds is considered during FY 08 – 09 in light of guidance provided by the California Department of Mental Health through the official notice process, confusion is understandable:

> DMH has determined that Counties may use <u>both</u> CSS and PEI funds made available prior to FY 2008/09 to fund their Prudent Reserve. (p. 3)

However, the hypothesis that counties and municipalities may be mixing in prudent reserve funds with unexpended funds carried over from previous years (particularly in the PEI line item) can only be verified by following up with each county and asking a specific series of questions about their documentation and tracking procedures for prudent reserve funds. Given the specific concerns around Prevention and Early Intervention, follow-up with counties and municipalities is recommended.

[xli] p. 5, http://www.dmh.ca.gov/DMHDocs/docs/notices09/09-22_Enclosure1.docx

[xlii] California Department of Mental Health (2008, January). *Mental Health Services Act Expenditure Report, Fiscal Year 2007 – 2008*. Sacramento, CA. Examination of Figures 1a through c may lead one to suspect that "*prudent reserve*" monies are included in the unexpended funds figures. However, contributions to prudent reserve (as formally documented in the Revenue and Expenditure Reports) are not included in unexpended funds totals reported out by counties during FY 2006 – 2007, 2007 – 2008, and 2008 – 2009, nor are they included in Figures 1.3a through c, nor are they included anywhere in analyses completed and reported in this overview or these briefs. The Revenue and Expenditure Reports automatically deduct contributions to the Prudent Reserve from unexpended funds totals, and these totals were cross-checked to ensure that contributions to Prudent Reserves were **properly** subtracted and not included in analyses.

Nonetheless, we cannot vouch for what individual counties and municipalities **<u>may have interpreted as appropriate to include in the unexpended funds cells of the Revenue and Expenditure Reports</u>**, particularly the cell documenting carry-over from previous fiscal years. Although guidance for this particular cell of the Revenue and Expenditure Report requests that counties and municipalities are to insert the amount of unexpended funds from previous fiscal years, it is possible that some counties were not clear about how to define "*unexpended funds from previous fiscal years*." No further guidance is provided in the Revenue and Expenditure Report, and therefore some counties and

municipalities may have taken a broad interpretation of the meaning. Perhaps monies designated for spending but not spent were merged with prudent reserve, and one total entered and carried over.

Indeed, guidance provided for FY 2007 – 2008 and reported by the Department of Mental Health suggests that counties and municipalities may be mixing prudent reserve and unexpended funds when documenting the total amount of unexpended funds for the Revenue and Expenditure Report:

DMH clarified that MHSA funds should be expended and accounted for on a first-in, first-out (FIFO) basis (i.e., the first dollar distributed to the County is the first dollar spent on services irrespective of the fiscal year). Each County will identify unspent funds and the use of such unspent funds through the annual Plan update process. Unexpended funds will be considered available to fund services in subsequent years and a County may dedicate unspent funds to the local prudent reserve. Each County will also be allowed to retain unspent funds as an operating reserve to allow for unexpected expenditures and/or lower than anticipated off-setting revenues. (p. 22)

[xliii] http://www.dmh.ca.gov/Prop_63/MHSA/MHSA_Fiscal_References.asp. To access the Excel file, click on "*Component Allocations and Approved Amounts*" under "*County Level Information*" under "*Other Fiscal Information and Reports*."

[xliv] Per Welfare and Institutions Code (WIC) Section 5892.

[xlv] Expended, Unexpended and the Total presented in Tables 6 through 8 are rounded to nearest dollar since it is unclear what the cents values are for the Component Allocation amounts. DMH does not report out on the cents values in the Excel file provided online.

[xlvi] The Revenue and Expenditure Report for FY 2006 – 2007 was structured in such a way that all WET Planning Expenditures were subtracted out on the Unexpended Funds worksheet, and counted as a negative balance.

[xlvii] The Component Allocation for Joint Powers Authorities (JPA) was provided as a stand-alone line item in the DMH Excel file, rather than tied to a specific "component" as is typically understood under the MHSA (i.e., CSS, WET, PEI, CF/TN, and INN). The Component Allocation for JPA is not included in the FY 08 - 09 Table. Although it is understood to belong to PEI (and was distributed to the counties/municipalities to subsequently distribute to statewide initiatives and/or multicounty collaborative), it is not included in the brief series because the statewide efforts are not a focus. The JPA Component Allocation for FY 08 – 09 was $36,281,100. The detailed breakout of JPA Component Allocations to each county and municipality follows the PEI Allocation and Approved Amounts Table in the Appendix of Brief 6.

[xlviii] p. 3, California Department of Mental Health (2010, January). *Mental Health Services Act Expenditure Report, Fiscal Year 2010 – 2011*. Sacramento, CA.

[xlix] http://en.wikipedia.org/wiki/Per_capita

[l] Population Estimates, 2010, U.S. Census Bureau, Population Division.

[li] http://www.dmh.ca.gov/dmhdocs/docs/letters05/05-02.pdf

[lii] Defined as the prevalence of mental illness among different age groups and ethnic populations of poverty households in each county as estimated through a study conducted by Dr. Charles Holzer, Ph.D., in 2000. The DMH notice indicates that the 2000 results were updated to reflect 2005 (Ibid, p. 3).

[liii] The source for self-sufficiency as a distribution factor is the *Self-Sufficiency Standard for California 2003*, December 2003, a project of the National Economic Development and Law Center. A weighted average of households with one single childless adult (67%) and a single adult with two children (33%) was used to develop the adjustment (Ibid, p. 3).

[liv] Defined in DMH letter 05-02 as "*provided either by or through the Department of Mental Health to each county in FY 2004-05, including realignment funding, State General Fund managed care allocations, or other State General Fund Community Services allocations (such as AB 2034 funding), federal SAMHSA block grants, federal PATH grants, and FY 2002-03 Early and Periodic Screening Diagnosis and Treatment (EPSDT) State General Funds. (Medi-Cal federal financial participation is excluded.)*" Ibid, p. 3.

[lv] Ibid. Further details are provided in:
http://www.dmh.ca.gov/Prop_63/MHSA/docs/meeting/05apr01/SummaryGenlStakeholdersApril56d%20revised.pdf
Berkeley is also categorized as a "small county."

[lvi] Municipalities were not included in this analysis because population data through the census is readily available only at the county level.

[lvii] DMH Notice 08-36. http://www.dmh.ca.gov/dmhdocs/docs/notices08/08-36.pdf

[lviii] California Unemployment Rate (Average – Not Seasonally Adjusted)
http://www.labormarketinfo.edd.ca.gov/?pageid=164

The California Employment Development Department (CA EDD) defines "*Unemployment Rate*" as the number of unemployed divided by the labor force then multiplied by 100 (http://www.labormarketinfo.edd.ca.gov/?pageid=1006). For sake of consistency in data presentation, EMT calculated unemployment rates using the same method as CA EDD.

[lix] The foreclosure rate is defined as the number of foreclosed properties as a percent of households. HousingLink (2007). *Fixing the foreclosure system: The trouble with foreclosure data*. Retrieved August 23, 2011, from http://www.minneapolisfed.org/news_events/events/community/100407/foreclosuredata_obrien.pdf

California Number of Foreclosures (Annual) were obtained from Realty Trac, and then foreclosure rates calculated using the methodology described above.

[lx] Johnson, R. (2010). Metrics and measures in tackling the social determinants of health—The example of mental health and housing. *Journal of Public Mental Health*, 9(3), 36-44.

Paul, K. I., & Moser, K. (2009). Unemployment impairs mental health: Meta-analyses. *Journal of Vocational Behavior*, 74(3), 264-282.

[lxi] CF/TN monies were expended by only eight counties – too small perhaps to detect a relationship. INN could not be tested due to small sample size

[lxii] However, as of FY 2008 – 2009 CF/TN funds have been expended by only eight counties, thus these findings should be considered preliminary.

[lxiii] PEI was not analyzed because a two-year change period was required (three years total).

[lxiv] http://www.dmh.ca.gov/Prop_63/MHSA/MHSA_Fiscal_References.asp. To access the Excel file, click on "*Component Allocations and Approved Amounts*" under "*County Level Information*" under "*Other Fiscal Information and Reports*."

Recall that the amounts allocated and approved in each fiscal year represent the time period to which DMH assigns the monies eventually distributed to counties and municipalities. The fiscal year displayed in the Appendix does not necessarily represent the time period within which the monies were distributed to the counties/municipalities.