

**\_\_\_ ACTION REQUIRED:**

**DATE OF MEETING: 5/23/16**

**PREPARED BY: Andrej Delich**

**DATE MATERIAL  
PREPARED: 5/19/16**

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**AGENDA ITEM:** Review Financial Oversight Committee 2016 Charter and Draft of Charter Activities Planning Document

**ENCLOSURES:** 2016 Financial Oversight Committee Charter and Charter Activities Planning Document

**OTHER MATERIAL RELATED TO ITEM:**

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**Issue:**

The MHSOAC leadership has asked the Financial Oversight Committee to review the 2016 Financial Oversight Committee Charter, which was developed by the staff of the Financial Oversight Committee and conforms to the MHSOAC 2016 Work Plan. The Financial Oversight Committee will also review and comment on the Draft Charter Activities Planning Document. This document outlines the primary activities that the Financial Oversight Committee will work on over the next year to further the aims of the 2016 Charter.



Mental Health Services  
Oversight & Accountability Commission

**FINANCIAL OVERSIGHT COMMITTEE**  
**2015/2016 Charter**

**Purpose:**

To provide the Mental Health Services Oversight and Accountability Commission (MHSOAC) reports, proposed policies and recommendations regarding anticipated Mental Health Services Act (MHSA) revenue cycles, as well as strategies and roadmaps to expand services by helping the Commission understand MHSA expenditures and statewide allocations.

**Objectives:**

1. Develop Financial Projections:

- Revenue projections for the entire Public Mental Health System, updated as follows:
  - State budget proposal
  - May Revise
  - Budget Adoption
  - Mid-year adjustments

2. Determine timely use, account balance, and Prudent Reserves of MHSA funds

1. Community Services & Supports
2. Prevention and Early intervention
3. Capital Facilities and Technological Needs
4. Workforce Education and Training
5. Innovation
6. Statewide programs

**Guiding Principles:**

Committee policy and strategy recommendations to the MHSOAC should reflect and strive to address the following priorities:

1. Data and analysis driven.
2. Proactively identify and address opportunities and challenges.
3. Culturally and linguistically competent.
4. Promotes a client/family/parent driven system.

5. Reduces stigma and discrimination.
6. Fully informed via a robust stakeholder process.
7. Best Practices and continuous improvement.
8. Emphasize the inclusion of all ages across the life-span.
9. Aims to reduce mental health disparities and seeks solutions for historically unserved and underserved communities in California.
10. Recognizes the importance of cultural communities and families of choice.

**Activities:**

1. Provide oversight of statewide entities that receive Proposition 63 funds to ensure appropriate use of funds.
2. Produce semiannual financial reports of community mental health system (January and May).
  - a. Monitor volatility of the Mental Health Services Act Fund.
  - b. Review and report on the Mental Health Services Act State Administration Fund and how entities are expending funds.
  - c. Monitor and analyze county fiscal reports, which include MHSA, Medi-Cal Federal Financial Participation (FFP), 1991 Realignment, and Behavioral Subaccount funds spent on MHSA programs.
  - d. Monitor statewide PEI expenditures.
  - e. Monitor funding and use of local prudent reserves.
  - f. Monitor Department of Health Care Services (DHCS) implementation of reversion policies and practices.
3. Strengthen fiscal reporting related to MHSA and other public mental health expenditures via policy revisions (e.g., strengthening of the Annual Revenue and Expenditure Reports).
4. Collaborate with DHCS, counties and MHSOAC Fiscal Consultant on county reporting and modify the current Annual Revenue and Expenditure Reports.
5. Work with the Department of Finance and the MHSOAC fiscal consultant on projections of the fund condition statement.
6. Review fiscal data and analyses for policy implications.
  - a. Review Annual Updates, Three-Year Program Expenditure Plans, and Annual Revenue and Expenditure Reports (ARER) for potential implications for evaluation purposes and opportunities to strengthen data for evaluation.
7. Monitor the status of California Mental Health Services Authority (CalMHSA) expenditures for Statewide PEI Projects.
8. Use results of tracking and monitoring of Three-Year Program and Expenditure Plan, Annual Updates and ARERs, and evaluate for compliance purposes.
9. Receive regular updates on MHSOAC evaluation efforts, analyze for fiscal findings, and make plans to act on those findings that are relevant to Committee purpose and objectives. Provide input on MHSOAC evaluation efforts as needed.
  - a. Communicate lessons learned and best practices from evaluations to improve programs and policy as part of quality improvement feedback.

<b>Date</b>	January 2016
<b>Leadership</b>	John Boyd, PsyD, Chair; John Buck, Chair, Vice-Chair
<b>Staff</b>	Peter Best
<b>Members</b>	2016 Committee Membership is listed below:  <ol style="list-style-type: none"><li>1. Bentley Paul Stansbury</li><li>2. Jane Adcock</li><li>3. Stacie Hiramoto</li><li>4. Rusty Selix</li><li>5. Lindsay Walter</li><li>6. Gordon Richardson</li><li>7. Brian Hill</li><li>8. Gwen Slattery</li><li>9. Debbie Innes-Gomberg</li><li>10. Carol Hood</li></ol>

# Financial Oversight Committee Charter Planning Document

## **Purpose:**

To provide the Mental Health Services Oversight and Accountability Commission (MHSOAC) reports, proposed policies and recommendations regarding anticipated Mental Health Services Act (MHSA) revenue cycles, as well as strategies and roadmaps to expand services by timely expenditure and leveraging of MHSA funds.

## **Primary Activities:**

1. Produce semiannual financial reports of community mental health system (January and May)
  - a. Monitor volatility of the Mental Health Services Act Fund
  - b. Review and report on the Mental Health Services Act State Administration Fund and how entities are expending these funds
  - c. Monitor and analyze county fiscal reports, which include MHSA, Medi-Cal Federal Financial Participation (FFP), 1991 Realignment, and Behavioral Subaccount funds spent on MHSA programs
  - d. Monitor statewide PEI expenditures
  - e. Monitor funding and use of local prudent reserves
  - f. Monitor DHCS implementation of reversion policies and practices
2. Strengthen fiscal reporting related to MHSA and other public mental health expenditures via policy revisions (e.g., strengthening of Annual Revenue and Expenditure Reports)