



# Fiscal Reporting Training FY 24-25 Prevention, Harm Reduction, and Other Services & DUI

Substance Abuse Prevention and Control Bureau  
County of Los Angeles Department of Public Health





# Fiscal Reporting Tool Introduction

- On June 1, 2023, the State of California Department of Health Care Services (DHCS) released the Behavioral Health Information Notice (BHIN) No: 23-023 informing the elimination of cost settlement requirements for Counties and providers ([BHIN-23-023-Elimination-of-Cost-Reporting-Requirements-for-Counties-and-Providers.pdf](#) (ca.gov)). The new regulation took effect as of FY 23-24
  - Did not eliminate fiscal compliance requirements.
- On October 10, 2023, the County of Los Angeles Department of Public Health's Substance Abuse Prevention and Control (SAPC) Bureau released the SAPC INFORMATION NOTICE 23-10 (SAPC IN 23-10) that announced the implementation of the Fiscal Reporting process for all SAPC providers (<http://publichealth.lacounty.gov/sapc/bulletins/START-ODS/23-10/Fiscal-Reporting-SAPC-IN-23-10.pdf>). The first year of implementation was FY 23-24.
- On June 10, 2025, the County of Los Angeles Department of Public Health's Substance Abuse Prevention and Control (SAPC) Bureau released an updated SAPC IN 25-08. The IN has been revised to address requests from Network Provider Agencies and to provide additional guidance with regulations in the Fiscal Reporting process (<http://publichealth.lacounty.gov/sapc/bulletins/START-ODS/25-08/SAPC-IN-25-08-Fiscal-Reporting.pdf>).

# Fiscal Reporting Tool Introduction (Continue)

- The purpose of the Fiscal Reporting process is to ensure:
  - Collection of the expenditure data
  - Meeting local funding requirements
  - Decreasing administrative burden
  - Provided services comply with relevant regulations and guidelines.
- The Fiscal Reporting process is an additional requirement to all other reporting requirements issued by DHCS, which have changed under CalAIM provisions for treatment providers.





# Fiscal Reporting Tool Introduction (Continue)

- Completion of the Fiscal Reporting process includes:
  - SAPC sets deadlines for information submission and communicates them to the providers.
    - September 30, 2025 – Providers complete and submit Fiscal Reporting Tool to SAPC.
    - December 31, 2025 – SAPC issues Fiscal Report to providers with summary & key issues.
  - Timely submission of the invoice, claims, and Fiscal Reporting Tool.
  - Failure to submit accurate and complete information may impede providers' ability to fully capture and claim costs in the Fiscal Reporting Tool.





# **Prevention, Harm Reduction, and Other Services Fiscal Reporting Tool Training**





# Prevention, Harm Reduction, and Other Services

## Fiscal Reporting Tool

- **TOPICS FOR DISCUSSION**

1. ALLOWABLE COST CALCULATION METHODOLOGY
2. FISCAL REPORTING TOOL SETTLEMENT – Lower of costs or charges
3. SUBMISSION GUIDELINES
4. SOURCE DOCUMENTS
5. FORM INSTRUCTIONS
6. SUBMISSION REQUEST



# Prevention, Harm Reduction, and Other Services

## Allowable Cost Calculation Methodology

### Cost Reconciliation Not Cost Reimbursement

SAPC contracts are now reimbursed at the lesser of costs or charges. This means at the end of the fiscal year; final payment will be based on cost reconciliation not cost reimbursement.



**Cost Reconciliation:** Settle up to, but not to exceed, the rate for services delivered to patients where allowable costs align with SAPC requirements including business and clinical capacity efforts outlined in the DHCS approved Fiscal and Rates Plan. This means if fee-for-service claims for patients served are below incurred costs, SAPC does not pay the difference (e.g., a loss).



**Cost Reimbursement:** Settle up to the substantiated costs of delivering services to patients which may exceed the established rates. This meant if fee-for-service claims for patients served was below incurred costs, SAPC paid the difference. This process ended for all SAPC contract agencies as of June 30, 2017.





## Prevention, Harm Reduction, and Other Services

### Fiscal Reporting Tool Settlement - Lower of costs or charges

“Reimbursement is limited to the provider’s actual costs less any reported revenues, such as Participant /client fees, third party revenue (insurance paid) etc., **up to the maximum contract amount.**”







# Prevention, Harm Reduction, and Other Services

## Fiscal Reporting Tool Settlement - Lower of costs or charges

### Illustrations – Cost Reconciliation (Part 1)

#### 1. Net Cost is Higher than Statement of Work (SOW) Amount

Net Cost	\$600,000
SOW Amount	\$500,000
Amount Billed	\$420,000
Amount Paid (a)	\$420,000
Allowable Cost (b)	\$420,000
Balance Due (County)/Provider (b-a)	\$0





# Prevention, Harm Reduction, and Other Services

## Fiscal Reporting Tool Settlement - Lower of costs or charges

### Illustrations – Cost Reconciliation (Part 2)

2. Net Cost is Lower than SOW Amount	
Net Cost	\$380,000
SOW Amount	\$500,000
Amount Billed	\$420,000
Amount Paid (a)	\$420,000
Allowable Cost (b)	\$380,000
Balance Due <b>(County)</b> /Provider (b-a)	(\$40,000)





# Prevention, Harm Reduction, and Other Services

## Fiscal Reporting Tool Settlement - Lower of costs or charges

### Illustrations – Cost Reconciliation (Part 3)

3. Amount Billed is Higher than Amount Paid	
Net Cost	\$480,000
SOW Amount	\$500,000
Amount Billed	\$480,000
Amount Paid (a)	\$420,000
Allowable Cost (b)	\$480,000
Balance Due <b>(County)</b> /Provider (b-a)	\$60,000



# Prevention, Harm Reduction, and Other Services

## Fiscal Reporting Tool Submission Guidelines

Providers must submit their cost reports accordingly:



- Fiscal Reporting Tool includes instructions explaining the steps for the tool completion.
- Providers complete only the **yellow** highlighted areas.





# **Prevention, Harm Reduction, and Other Services**

## **Source Documents for Completing Fiscal Reporting Tool**

### **1. THE LATEST COUNTY APPROVED BUDGET**

### **2. FINANCIAL RECORDS INCLUDES, BUT NOT LIMITED TO:**

- General Ledger
- Revenue reports
- Books of original entries: cash receipts/register, cash disbursement journal, etc.
- All records of funds expended and costs reported are subject to review(s) and audit(s) by County, State, and/or Federal agencies.

### **3. OTHER RECORDS**

- Units billed for the fiscal year.





## Prevention, Harm Reduction, and Other Services Fiscal Reporting Tool Form Instructions

- [The Fiscal Reporting Tools can be downloaded from SAPC's website: http://www.publichealth.lacounty.gov/sapc/](http://www.publichealth.lacounty.gov/sapc/)
  - Select "Providers" drop down menu then select "Manual, Bulletins, & Forms"
  - Click on the "Bulletin" tab then the "Bulletins 2025" link
  - Scroll down to find the "25-08 Fiscal Reporting"
  - Click on links for "Prevention, Harm Reduction, and Other Services Fiscal Reporting Tool – FY20XX-XX"





# Prevention, Harm Reduction, and Other Services

## Fiscal Reporting Tool Form Instructions (Continue)

### Tab (1) Provider Info and Cert:

- On the Fiscal Year line, indicate the Fiscal Year by changing the red **XX-XX** to the reporting year.
- Enter information in the **yellow** highlighted cells.
- Provider's Number should match the site address.
- Ensure the accuracy of information.
- Provide all requested information.





## Prevention, Harm Reduction, and Other Services Fiscal Reporting Tool Form Instructions (Continue)

- Sample of a Fiscal Reporting Tool (Prevention, Harm Reduction, and Other Services):
  - Use this tab (2) Detailed Cost ICR 15% or Less if your agency does not have a federally approved Indirect Cost Rate.

**Department of Public Health - Substance Abuse Prevention and Control Bureau**  
**Prevention, Harm Reduction, and Other Services Fiscal Reporting - Detailed Costs Indirect Cost Rate 10% or Less**  
**Fiscal Year 20XX-XX**

Provider Number

Indirect Cost 15% or less

SECTION (A) - EXPENDITURES DESCRIPTION	From Accounting Records Total	Formula (General Ledger less Total Direct Cost) Indirect	Community Collaboration Program (CCP) Direct	Prevention Education Program (PEP) Direct	Friday Night Live (FNL) Direct	Capacity Building (CB) - SHSMA Direct	Client Engagement and Navigation Service (CENS) Direct	Housing Navigation Direct	Increased Access Service Direct	Training & Technical Assistance Direct	Outreach & Engagement Direct	Sobering Center Direct
<b>Personnel Services</b>												
Salary and Wages		-										
Employee Benefits		-										
<b>Equipment, Materials and Supplies</b>												
Depreciation - Equipment		-										
Maintenance - Equipment		-										
Medical, Dental and Laboratory Supplies		-										
Membership Dues		-										
Rent and Lease Equipment		-										
Clothing and Personal Supplies		-										
Food		-										
Laundry Services and Supplies		-										
Small Tools and Instruments		-										
Training		-										
Miscellaneous Supplies		-										
Other		-										
<b>Operating Expenses</b>												
Communications												

Instructions | (1) Provider Info and Cert | **(2) Detailed Cost ICR 15% or Less** | (2a) Detailed Cost FED ICR | (3) Cost Summary





## Prevention, Harm Reduction, and Other Services

### Fiscal Reporting Tool Form Instructions (Continue)

#### **Tab (2) Detailed Cost Indirect Cost Rate (ICR) 15% or Less**

##### SECTION (A) - EXPENDITURES DESCRIPTION

Enter the agency's ICR in the cell B5 prior to completing the cost report.

Column B: Enter the total cost (direct and indirect) from the agency's General Ledger for that site for each applicable line item from rows 11 through 53.

Column C: Formulated, no entry required. It represents Indirect Cost. This is the variance of the total expenses and total direct cost. Ensure that the indirect cost rate in the cell V57 is no more than 15% of Modified Total Direct Cost (MTDC), per Federal Register §200.414.



If your calculation results in ICR more than 15%, SAPC will adjust IC to 15%.



## Prevention, Harm Reduction, and Other Services

### Fiscal Reporting Tool Form Instructions (Continue)

#### **Tab (2) Detailed Cost ICR 15% or Less**

##### SECTION (A) - EXPENDITURES DESCRIPTION

- Columns D to S: These columns are for “Direct Cost” only.  
Enter the agency’s direct cost that is attributable to each level of care for each applicable line item from rows 11 to 53. If the service you provided is not specified in any of the columns, enter the totals in Other Services (column S) and indicate the service type in the Comment box.
- Column T: Formulated, no entry required. This is the sum of Direct Cost (Columns D to S).





## Prevention, Harm Reduction, and Other Services

### Fiscal Reporting Tool Form Instructions (Continue)

#### **Tab (2) Detailed Cost ICR 15% or Less**

##### SECTION (A) - EXPENDITURES DESCRIPTION

Column V: Enter an explanation of how direct costs were identified to each applicable line item.

Row 57: This is to compute the Indirect Cost Rate by using the Total Indirect Cost (Column C) over the Total Direct Costs (Column T). The computed rate is applied to each total of the direct cost centers.





# Prevention, Harm Reduction, and Other Services

## Fiscal Reporting Tool Form Instructions (Continue)

### Tab (2) Detailed Cost ICR 15% or Less

SECTION (B) - REVENUE (EXCLUDE COUNTY REVENUE)

- 1: **Grand Total Cost:** Formulated, no entry required.
- 2: **Revenue:** Insurance Paid, Client Fees, Share Cost, Public Assistance (Food Stamps). Enter the total revenue in the columns D to S, if any.
- 3: **Net Cost:** Formulated, no entry required. It is Grand Total Cost less Revenue.





# **Prevention, Harm Reduction, and Other Services**

## **Fiscal Reporting Tool Form Instructions (Continue)**

### **Tab (2) Detailed Cost ICR 15% or Less**

**4. UNITS OF SERVICE** – Enter for respective Level of Care

- 4a. Total # of Units
- 4b. Total # of Hours
- 4c. Total # of Sessions Provided
- 4d. Total # of Participants





# Prevention, Harm Reduction, and Other Services

## Fiscal Reporting Tool Form Instructions (Continue)

- Sample of a Fiscal Reporting Tool (Prevention, Harm Reduction, and Other Services):
  - Use this tab (2a) Detailed Cost FED ICR if your agency has a federally approved Indirect Cost Rate.

**Department of Public Health - Substance Abuse Prevention and Control Bureau**  
**Prevention, Harm Reduction, and Other Services Fiscal Reporting - Detailed Costs with Federally Approved Indirect Cost Rate**  
**Fiscal Year 20XX-XX**

<b>Provider Number</b>	0
<b>Federally Approved ICR</b>	

SECTION (A) - EXPENDITURES DESCRIPTION	From Accounting Records	Formula (General Ledger less Total Direct Cost)	Community Collaboration Program (CCP)	Prevention Education Program (PEP)	Friday Night Live (FNL)	Capacity Building (CB) - SHSMA	Client Engagement and Navigation Service (CENS)	Housing Navigation	Increased Access Service	Training & Technical Assistance	Outreach & Engagement	Sobering Center	M
	Total	Indirect	Direct	Direct	Direct	Direct	Direct	Direct	Direct	Direct	Direct	Direct	
<b>Personnel Services</b>													
Salary and Wages		-											
Employee Benefits		-											
<b>Equipment, Materials and Supplies</b>													
Depreciation - Equipment		-											
Maintenance - Equipment		-											
Medical, Dental and Laboratory Supplies		-											
Membership Dues		-											
Rent and Lease Equipment		-											
Clothing and Personal Supplies		-											
Food		-											
Laundry Services and Supplies		-											
Small Tools and Instruments		-											
Training		-											
Miscellaneous Supplies		-											
Other		-											
<b>Operating Expenses</b>													
Communications		-											

(2a) Detailed Cost FED ICR



## Prevention, Harm Reduction, and Other Services Fiscal Reporting Tool Form Instructions (Continue)

### Tab (2a) Detailed Cost FED ICR

- This tab should be completed if you have a Federally Approved Indirect Cost Rate (FED ICR).
- Enter the FED ICR in the cell B5 prior to completing the cost report.
- Enter the Indirect Cost amount in the cell B55. After entering the remaining information, ensure that the Indirect Cost Rate in the cell V57 is equal or less than the approved FED ICR. **If the calculated ICR is greater than FED ICR, SAPC will adjust ICR to the approved FED ICR.**





## Prevention, Harm Reduction, and Other Services Fiscal Reporting Tool Submission Request

- Deadline – **September 30, 2025.**
- Providers must retain (per Record Retention and Audits requirements) the information used to complete the Fiscal Reporting Tool in an organized manner consistent with current LA County policy.
- The information may be used during audits and/or reviews by other LA County department(s), DHCS, etc.
- Send the electronic file in **Excel Format** to your assigned SAPC Analyst or e-mail below.
- E-mail the scanned original **signed signature** page to the e-mail address below.
- Questions submit to the e-mail below.

[Sapc-finance@ph.lacounty.gov](mailto:Sapc-finance@ph.lacounty.gov)







# **Substance Abuse Prevention and Control (SAPC) Fiscal Reporting Tool Submission**

## **DRIVING UNDER THE INFLUENCE (DUI) PROGRAM**

**Fiscal Year 2024-25**



- The Fiscal Reporting Tool for **DUI** can be downloaded from SAPC's website:

- [www.publichealth.lacounty.gov/sapc](http://www.publichealth.lacounty.gov/sapc)
- Select the "Providers" drop down menu then select "Manual, Bulletins, & Forms"
- Click on the "Bulletin" tab, then the "Bulletin 2025" link
- Scroll down to find the "25-08 – Fiscal Reporting"
- Click on the link for "DUI Fiscal Reporting Tool- FY20XX-XX"





## Provider Info and Certification - Tab 1

This form is part of your cost report package, and it certifies:

- That your cost report is true, accurate, complete, and was prepared in accordance with applicable County, State, and Federal laws, regulations and guidelines.
- That you agree to keep such records for a period of three (3) years.
- That you understand that anyone who misrepresents, falsifies, omits essential information, and/or conceals material facts may be prosecuted under applicable County, State, and/or Federal laws.





## Provider Info and Certification - Tab 1(cont.)

- Fill out the data accurately and complete the required fields highlighted in yellow for each section.
- Indicate the Provider's Number. The Provider Number should match the address on the site.
- Enter the name of the person who prepares the fiscal reporting tool.
- Mail the original, signed Provider Information and Certification document to SAPC.



## DUI Fiscal Reporting – Tab 2

- Fill out the data accurately and complete the required lines highlighted in yellow for each section.
  - ☐ **Number of participants**: Enter the total number of participants
  - ☐ **Section 1 Expenditure**: Enter actual expenditures
    - ❖ Personnel Services
    - ❖ Equipment / Facility Depreciation
    - ❖ Operating Expenses
  - ☐ **Section 2 Revenue**: Enter actual collected amount for each site
  - ☐ **Section 3 Excess Fees**: Data entry is not required



## Excess Fees:

- The total program revenue generated minus Program Expenses (in excess of 10% of total program revenue). The provider may retain this 10% excess fee and return the remaining amount to the participants or use it for program operations.
- Complete the Excess Fees calculation to determine the amount of excess fees.
- Agency may retain up to 10% of total program revenue.

Total Gross Expenditures	\$ 238,210.00	(a)
Total Collected Participant Fees	\$ 269,498.00	(b)
Profit / Surplus	\$ 31,288.00	(c=b-a)
<u>Excess Fees Calculation</u>		
10% of Total Collected Participant Fees	\$ 26,949.80	(d)
Profit / Surplus	\$ 31,288.00	(e)
(Excess Profit) / No Excess Profit	\$ (4,338.20)	





**Deadline** – Providers complete and submit the Fiscal Reporting Tool to SAPC by **September 30, 2025.**

✓ E-Mail the original cost report in Excel Format with scanned original wet signed certification in PDF Format to

❖ Daniel Yen [dyen@ph.lacounty.gov](mailto:dyen@ph.lacounty.gov)

✓ Questions submit to :

❖ [Sapc-finance@ph.lacounty.gov](mailto:Sapc-finance@ph.lacounty.gov)





**THANK YOU!**