



Fiscal Reporting Training FY 23-24 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 2023-2024.
 - 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](#)). First year of implementation would be FY 2023-2024.



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 to comply with relevant regulations and guidelines.
- The Fiscal Reporting process is in addition to any 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 the information submission and communicates them to the providers.
 - This will be communicated to DUI Providers and Non-DMC Providers Shortly
 - Timely submission of the invoice, claims, and Fiscal Reporting Tool.
 - Failure to submit accurate and complete information may result in providers not being able to fully capture and claims costs on 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 (County) /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 (County) /Provider (b-a)	\$60,000

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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.



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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/>
 - Select "Providers" drop down menu then select "Manual, Bulletins, & Forms"
 - Click on the "Bulletin" tab then "Bulletin 2023" link
 - Scroll down to find the "23-10 – Implementation of Fiscal Reporting Process for All Substance Abuse Prevention and Control Bureau Services Providers"
 - 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 10% 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	0											
Indirect Cost 10% or less												
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
	Total	Indirect	Direct	Direct	Direct	Direct	Direct	Direct	Direct	Direct	Direct	Direct
Personnel Services												
Salary and Wages		-										
Employee Benefits		-										
Equipment, Materials and Supplies												
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		-										
Operating Expenses												
Communications												

(2) Detailed Cost ICR 10% 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) 10% 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 10% of Modified Total Direct Cost (MTDC), per Federal Register §200.414.

If your calculation results in ICR more than 10%, SAPC will adjust IC to 10%.



Prevention, Harm Reduction, and Other Services

Fiscal Reporting Tool Form Instructions (Continue)

Tab (2) Detailed Cost ICR 10% 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 10% 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 10% 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 10% 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

Provider Number	0
Federally Approved ICR	

SECTION (A) - EXPENDITURES DESCRIPTION	From Accounting Records Total	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	Me
		Indirect	Direct	Direct	Direct	Direct	Direct	Direct	Direct	Direct	Direct	Direct	
Personnel Services													
Salary and Wages		-											
Employee Benefits		-											
Equipment, Materials and Supplies													
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		-											
Operating Expenses													
Communications		-											



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 Form Instructions (Continue)

Tab (3) Cost Summary

- Displays the totals for all the levels of care.
- All formulated; no data entry necessary.



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

- Deadline – **To be determined**
- 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 County's department(s), DHCS, etc.
- Send electronic file **in Excel format** to your assigned SAPC Analyst.
- Mail the **original signed** signature page to the address below:

COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC HEALTH
SUBSTANCE ABUSE PREVENTION AND CONTROL BUREAU
FISCAL REPORTING UNIT
1000 SOUTH FREMONT AVENUE
BUILDING A-9 EAST, 3rd FLOOR, NORTH WING, **UNIT 34**
ALHAMBRA, CALIFORNIA 91803

Questions submit to: Sapc-finance@ph.lacounty.gov



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

DRIVING UNDER THE INFLUENCE (DUI) PROGRAM

Fiscal Year 2023-24



- The Fiscal Reporting Tool for **DUI** can be downloaded from SAPC's website:
 - www.publichealth.lacounty.gov/sapc
 - Select "Providers" drop down menu then select "**Manual, Bulletins, & Forms**"
 - Click on the "**Bulletin**" tab then "**Bulletin 2023**" link
 - Scroll down to find the "**23-10 – Implementation of Fiscal Reporting Process for all Substance Abuse Prevention and Control Bureau Services Providers**"
 - 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 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 – **To be determined**

- ✓ Mail the original cost report
- ✓ Attach the cost report with a wet signed certification
- ✓ Email the Cost Report in Excel Format to
 - ❖ Melanie Wu mwu@ph.lacounty.gov
- ✓ Questions submit to :
 - ❖ Sapc-finance@ph.lacounty.gov

To:

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

Fiscal Reporting Unit

1000 S. Fremont Ave., Building A-9 East
3rd Floor, North Wing, **Unit # 34**
Alhambra, CA 91803