



Date Approved: 2.23.17

By: [Signature]  
**James Wagner, LMFT/LPCC**  
Behavioral Health Deputy Director

**POLICY TITLE**

**Documenting and Reporting SAPT Block Grant Expenditures**

**Policy No: 1350-1-2**

**Date Effective: 02/21/2017**

**PURPOSE**

This policy defines the County's process for documenting fiscal actual expenditures and for reporting Substance Abuse Prevention and Treatment Block Grant (SABG) funding.

**AUTHORITY**

This policy ensures compliance with the terms of the Substance Use Disorder (SUD) State/County Contract Exhibit B, A3, Part 1, Section 1, G, 2.

**SCOPE**

All programs receiving Substance Abuse, Prevention and Treatment Block Grant (SABG) funding under a subcontract with Alameda County, in addition to Alameda County Behavioral Health Care Services administration.

**POLICY**

This policy establishes a process for determining whether a program complies with the statutes, regulations, and terms and conditions of the SABG.

**PROCEDURE**

The process of documenting and reporting SABG funding begins with budgeting and continues through the cost report:

- A. At the beginning of each fiscal year, the Fiscal Department, with guidance from the Network Office and Operations, develops the Source of Funds to allocate funding streams to each program. The Source of Funds is organized by population and treatment modality, so SABG categorical funds are contained within certain sections. When SABG funds are allocated to a new program, the fiscal analyst follows the policy on *Expenditure of SAPT Block Grant* to ensure the new program complies with all regulations.
- B. Following mid-year, the Source of Funds is revised based on year-to-date cost and revenue projections. If a program is under performing, a portion of its SABG funds may be shifted to an over performing program that has the same funding stream. The mid-year Primary Prevention budget is submitted to the State. At this point, the Finance Department can alert the State if there is risk of not spending the entire SABG allocation, although the County has never had this issue.

- C. Soon after the year ends, the Source of Funds is revised again based on invoices received. Again, funding may be shifted to programs with the same funding stream if necessary.
- D. The Network Office gathers provider cost reports, reviews program utilization and costs, and determines reimbursement for each program. Unless the initial settlement differs significantly from the year-end Source of Funds, it will be the basis for assigning funding. The cost report forms separate programs into Drug Medi-Cal, non Drug Medi-Cal, and AB 109, so SABG funds are only assigned to the non Drug Medi-Cal portion. If denied units have shifted to non Drug Medi-Cal, then county general fund is assigned to this cost. Final funding and utilization for each program, split by these categories if appropriate, is recorded in *FY SDADP Worksheets*. Funding for county administration costs, allocated by time studies and direct costs, is documented in *FY Administration Cost Allocation*. These two workbooks are the data sources for the state cost report required by HSC Section 14124.24 (g).
- E. Finally, the Fiscal Department reconciles in total the amount expended per the cost report and the County's financial system.

**HISTORY**

**Original Author** *Jill Louie*

**Original Date of Approval:** xx/xx/xxxx by (Name of Behavioral Health Director)

**Revisions:**

Revise Author	Date of Approval by (Name)

**DEFINITIONS**

**Substance Use Disorder State/County Contract Exhibit B, A3, Part 1, Section 1, G, 2**  
 Contractor shall maintain for review and audit and supply to DHCS upon request, adequate documentation of all expenses claimed pursuant to this Agreement to permit a determination of expense allowability.

**HSC Section 14124.24 (g)**  
 (g)(1) A county or a contracted provider, except for a provider to whom subdivision (h) applies, shall submit accurate and complete cost reports for the previous fiscal year by November 1, following the end of the fiscal year. The department may settle Drug Medi-Cal reimbursable services, based on the cost report as the final amendment to the approved county Drug Medi-Cal contract. (2) Amounts paid for services provided to Drug Medi-Cal beneficiaries shall be audited by the department in the manner and form described in Section 14170. (3) Administrative appeals to review grievances or complaints arising from the findings of an audit or examination made pursuant to this section shall be subject to Section 14171.