

**California Department of Mental Health  
Mental Health Services Act (MHSA): FISCAL DEFINITIONS**

These definitions are listed in the order in which they are activated during the MHSA funding process.

- (1) County Component Allocations:** The amount of MHSA funds available to each county to provide MHSA services.
- County Component Allocations are considered “allocated” to counties.
  - The Act requires DMH to inform counties of the amounts of MHSA funds available to them. DMH uses “County Component Allocations” as the informing mechanism.
  - These are published by DMH in an Information Notice for each MHSA component.
  - DMH develops a formula, in consultation with the CA Mental Health Directors Association, to determine County Component Allocations.
- (2) County Plan:** A document required by the Act to be submitted to DMH in order to access MHSA funds made available through County Component Allocations.
- The County Plan describes the services proposed to be delivered and the amount of funding requested to support those services.
  - The Act requires counties to submit county plans and annual updates that have been developed with local stakeholders.
- (3) Approved Funds:** The portion of a county’s Component Allocation that DMH has approved for the county to receive to implement the county’s approved County Plan.
- Approved funds are considered “obligated” to counties.
  - In the MHSA “Innovation” and “Prevention & Early Intervention” components, the Act requires the Mental Health Services Oversight & Accountability Commission to approve County Plans (and DMH is required to review and comment).
- (4) MHSA Agreement:** A document signed by DMH and a county that delineates the terms and conditions under which DMH will distribute Approved Funds to a county.
- The MHSA Agreement identifies the county’s original Component Allocation, Approved Funds, Distributed Funds, and the remaining balance in the county’s Component Allocation.
- (5) Distributed Funds:** The MHSA funds that DMH has distributed (disbursed) to a county, based on its approved County Plan and fully executed MHSA Agreement.
- DMH distributes 75% of Approved Funds to a county upon County Plan approval, followed by the remaining 25% once a county has submitted required fiscal reports.