

# **SAN MATEO COUNTY**

Audit Report

## **HANDICAPPED AND DISABLED STUDENTS PROGRAM**

Chapter 1747, Statutes of 1984, and  
Chapter 1274, Statutes of 1985

*July 1, 2003, through June 30, 2006*



**JOHN CHIANG**  
California State Controller

February 2009



**JOHN CHIANG**  
**California State Controller**

February 6, 2009

The Honorable Adrienne J. Tissier, President  
San Mateo County Board of Supervisors  
400 County Center, Hall of Justice  
Redwood City, CA 94063

Dear Ms. Tissier:

The State Controller's Office audited the costs claimed by San Mateo County for the legislatively mandated Handicapped and Disabled Students Program (Chapter 1747, Statutes of 1984, and Chapter 1274, Statutes of 1985) for the period of July 1, 2003, through June 30, 2006.

The county claimed \$10,650,970 (\$10,661,970 less an \$11,000 penalty for filing late claims) for the mandated program. Our audit disclosed that \$7,891,203 is allowable and \$2,759,767 is unallowable. The costs are unallowable because the county understated its offsetting revenue and administrative costs, and overstated its assessment and treatment costs. The State paid the county \$5,586,650. Allowable costs claimed exceed the amount paid by \$2,304,553.

If you have any questions, please contact Jim L. Spano, Chief, Mandated Cost Audits Bureau, at (916) 323-5849.

Sincerely,

*Original signed by*

**JEFFREY V. BROWNFIELD**  
Chief, Division of Audits

JVB/vb

cc: The Honorable Tom Huening  
Controller, San Mateo County  
Patrick Sutton, Fiscal Officer, Administration  
Behavioral Health and Recovery Services  
San Mateo County Health Department  
Todd Jerue, Program Budget Manager  
Corrections and General Government  
Department of Finance  
Carol Bingham, Director  
Fiscal Policy Division  
California Department of Education  
Stacey Wofford  
Special Education Program  
Department of Mental Health  
Cynthia Wong, Manager  
Special Education Division  
California Department of Education

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# Audit Report

## Summary

The State Controller's Office (SCO) audited the costs claimed by San Mateo County for the legislatively mandated Handicapped and Disabled Students Program (Chapter 1747, Statutes of 1984, and Chapter 1274, Statutes of 1985) for the period of July 1, 2003, through June 30, 2006.

The county claimed \$10,650,970 (\$10,661,970 less an \$11,000 penalty for filing late claims) for the mandated program. Our audit disclosed that \$7,891,203 is allowable and \$2,759,767 is unallowable. The costs are unallowable primarily because the county understated its offsetting revenue and administrative costs, and overstated its assessment and treatment costs. The State paid the county \$5,586,650. Allowable costs claimed exceed the amount paid by \$2,304,553.

## Background

Chapter 26 of the Government Code, commencing with section 7570 and Welfare and Institutions Code section 5651 (added and amended by Chapter 1747, Statutes of 1984, and Chapter 1274, Statutes of 1985) require counties to participate in the mental health assessment for "individuals with exceptional needs," participate in the expanded "Individualized Education Program" (IEP) team, and provide case management services for "individuals with exceptional needs" who are designated as "seriously emotionally disturbed." These requirements impose a new program or higher level of service on counties.

On April 26, 1990, the Commission on State Mandates (CSM) determined that this legislation imposed a state mandate reimbursable under Government Code section 17561.

The program's parameters and guidelines establish the state mandate and define reimbursement criteria. The CSM adopted the parameters and guidelines for the Handicapped and Disabled Students Program on August 22, 1991 and last amended them on August 29, 1996. In compliance with Government Code section 17558, the SCO issues claiming instructions, to assist local agencies and school district in claiming mandated program reimbursable costs.

The parameters and guidelines for the Handicapped and Disabled Students Program state that only 10% of mental health treatment costs are reimbursable. However, on September 30, 2002, Assembly Bill 2781 (Chapter 1167, Statutes of 2002) changed the regulatory criteria by stating that the percentage of treatment costs claimed by counties for fiscal year (FY) 2000-01 and prior fiscal years is not subject to dispute by the SCO. Further, this legislation states that, for claims filed in FY 2001-02 and thereafter, counties are not required to provide any share of these costs or to fund the costs of any part of these services with money received from Local Revenue Fund established by Welfare and Institutions Code Section 17600 et seq. (realignment funds).

Furthermore, Senate Bill 1895 (Chapter 493, Statutes of 2004) states that realignment funds used by counties for the Handicapped and Disabled Students Program “are eligible for reimbursement from the state *for all allowable costs* [emphasis added] to fund assessment, psychotherapy, and other mental health services . . .” and that the finding by the Legislature is “declaratory of existing law.”

On May 26, 2005, the CSM adopted a statement of decision for the Handicapped and Disabled Students II Program that incorporates the above legislation and further identified medication support as a reimbursable cost effective July 1, 2001. The CSM adopted the parameters and guidelines for this new program on December 9, 2005, and made technical corrections to it on July 21, 2006.

The parameters and guidelines for the Handicapped and Disabled Students II Program state that “Some costs disallowed by the State Controller’s Office in prior years are now reimbursable beginning July 1, 2001 (e.g., medication monitoring). Rather than claimants re-filing claims for these costs incurred, beginning July 1, 2001, the State Controller’s Office will reissue the audit reports.” Consequently, we are allowing medication support costs commencing July 1, 2001.

On January 26, 2006, CSM amended the parameters and guidelines for the Handicapped and Disabled Students Program and corrected them on July 21, 2006, allowing reimbursement for out-of-home residential placements beginning July 1, 2004.

## **Objective, Scope, and Methodology**

We conducted the audit to determine whether costs claimed represent increased costs resulting from the Handicapped and Disabled Students Program for the period of July 1, 2003, through June 30, 2006.

Our audit scope included, but was not limited to, determining whether costs claimed were supported by appropriate source documents, were not funded by another source, and were not unreasonable and/or excessive.

We conducted this performance audit under the authority of Government Code sections 12410, 17558.5, and 17561. We did not audit the county’s financial statements. We conducted the audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We limited our review of the county’s internal controls to gaining an understanding of the transaction flow and claim preparation process as necessary to develop appropriate auditing procedures.

**Conclusion**

Our audit disclosed instances of noncompliance with the requirements outlined above. These instances are described in the accompanying Summary of Program Costs (Schedule 1) and in the Findings and Recommendations section of this report.

For the audit period, San Mateo County claimed \$10,650,970 (\$10,661,970 less a \$11,000 penalty for filing late claims) for costs of the Handicapped and Disabled Students Program. Our audit disclosed that \$7,891,203 is allowable and \$2,759,767 is unallowable.

For the fiscal year (FY) 2003-04 claim, the State made no payment to the county. Our audit disclosed that \$2,661,525 is allowable. The State will pay allowable costs claimed that exceed the amount paid, totaling \$2,661,525, contingent upon available appropriations.

For the FY 2004-05 claim, the State paid the county \$2,771,553. Our audit disclosed that \$2,684,287 is allowable. The State will offset \$87,266 from other mandated program payments due the county. Alternatively, the county may remit this amount to the State.

For the FY 2005-06 claim, the State paid the county \$2,815,097. Our audit disclosed that \$2,545,391 is allowable. The State will offset \$269,706 from other mandated program payments due the county. Alternatively, the county may remit this amount to the State.

**Views of  
Responsible  
Officials**

We issued a draft audit report on Handicapped and Disabled Students Program for the period July 1, 2003, through June 30, 2006. Bob Adler, Assistant Auditor-Controller, San Mateo County and Charlene A. Silva, Interim Chief, San Mateo County responded by letter dated December 17, 2008, agreeing with the audit results, except Finding 1. This final audit report includes the county's response.

**Restricted Use**

This report is solely for the information and use of San Mateo County, the California Department of Finance, and the SCO; it is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

*Original signed by*

JEFFREY V. BROWNFIELD  
Chief, Division of Audits

February 6, 2009

**Schedule 1—  
Summary of Program Costs  
July 1, 2003, through June 30, 2006**

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment	Reference <sup>1</sup>
<b>July 1, 2003, through June 30, 2004</b>				
Assessment/case management costs	\$ 704,348	\$ 629,493	\$ (74,855)	Finding 1
Administrative costs	39,162	73,620	34,458	Finding 2
Offsetting revenues:				
State categorical funds	—	(60,855)	(60,855)	Finding 3
Short-Doyle/Medi-Cal funds	—	(107,439)	(107,439)	Finding 3
Other	—	(20,138)	(20,138)	Finding 3
Net assessment/case management costs	<u>743,510</u>	<u>514,681</u>	<u>(228,829)</u>	
Treatment costs	5,501,297	5,417,083	(84,214)	Finding 1
Administrative costs	338,580	628,021	289,441	Finding 2
Offsetting revenues:				
State categorical funds	—	(2,579,395)	(2,579,395)	Finding 3
Short-Doyle/Medi-Cal funds	(1,292,946)	(1,008,329)	284,617	Finding 3
Other	(225,121)	(309,536)	(84,415)	Finding 3
Net treatment costs	<u>4,321,810</u>	<u>2,147,844</u>	<u>(2,173,966)</u>	
Total direct and indirect costs	5,065,320	2,662,525	(2,402,795)	
Less late claim penalty	(1,000)	(1,000)	—	
Total program costs	<u>\$ 5,064,320</u>	2,661,525	<u>\$(2,402,795)</u>	
Less amount paid by the State		—		
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 2,661,525</u>		
<b>July 1, 2004, through June 30, 2005</b>				
Assessment/case management costs	\$ 687,706	\$ 685,058	\$ (2,648)	Finding 1
Administrative costs	48,731	89,738	41,007	Finding 2
Offsetting revenues:				
State categorical funds	—	(55,472)	(55,472)	Finding 3
Short-Doyle/Medi-Cal funds	—	(91,117)	(91,117)	Finding 3
Other	—	(24,918)	(24,918)	Finding 3
Net assessment/case management costs	<u>736,437</u>	<u>603,289</u>	<u>(133,148)</u>	
Treatment costs	5,161,501	5,081,303	(80,198)	Finding 1
Administrative costs	366,387	667,447	301,060	Finding 2
Offsetting revenues:				
State categorical funds	(1,979,619)	(2,494,868)	(515,249)	Finding 3
Short-Doyle/Medi-Cal funds	(1,092,088)	(846,336)	245,752	Finding 3
Other	(421,065)	(326,548)	94,517	Finding 3
Net treatment costs	<u>2,035,116</u>	<u>2,080,998</u>	<u>45,882</u>	
Total program costs	<u>\$ 2,771,553</u>	2,684,287	<u>\$(87,266)</u>	
Less amount paid by the State		(2,771,553)		
Allowable costs claimed in excess of (less than) amount paid		<u>\$ (87,266)</u>		



**Schedule 1 (continued)**

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment	Reference <sup>1</sup>
<b>July 1, 2005, through June 30, 2006</b>				
Assessment/case management costs	\$ 655,591	\$ 706,942	\$ 51,351	Finding 1
Administrative costs	144,047	146,820	2,773	Finding 2
Offsetting revenues:				
State categorical funds	—	(91,679)	(91,679)	Finding 3
Short-Doyle/Medi-Cal funds	—	(162,956)	(162,956)	Finding 3
Other	—	(26,019)	(26,019)	Finding 3
Net assessment/case management costs	<u>799,638</u>	<u>573,108</u>	<u>(226,530)</u>	
Treatment costs	5,185,309	5,193,806	8,497	Finding 1
Administrative costs	1,034,445	1,050,508	16,063	Finding 2
Offsetting revenues:				
State categorical funds	(1,979,619)	(2,635,660)	(656,041)	Finding 3
Short-Doyle/Medi-Cal funds	(1,512,269)	(1,166,088)	346,181	Finding 3
Other	(702,407)	(460,283)	242,124	Finding 3
Net treatment costs	<u>2,025,459</u>	<u>1,982,283</u>	<u>(43,176)</u>	
Total direct and indirect costs	2,825,097	2,555,391	(269,706)	
Less late claim penalty	(10,000)	(10,000)	—	
Total program costs	<u>\$ 2,815,097</u>	2,545,391	<u>\$ (269,706)</u>	
Less amount paid by the State		<u>(2,815,097)</u>		
Allowable costs claimed in excess of (less than) amount paid		<u>\$ (269,706)</u>		
<b>Summary: July 1, 2003, through June 30, 2006</b>				
Assessment/case management costs	\$ 2,047,645	\$ 2,021,493	\$ (26,152)	
Administrative costs	231,940	310,178	78,238	
Offsetting revenues:				
State categorical funds	—	(208,006)	(208,006)	
Short-Doyle/Medi-Cal funds	—	(361,512)	(361,512)	
Other	—	(71,075)	(71,075)	
Net assessment/case management costs	<u>2,279,585</u>	<u>1,691,078</u>	<u>(588,507)</u>	
Treatment costs	15,848,107	15,692,192	(155,915)	
Administrative costs	1,739,412	2,345,976	606,564	
Offsetting revenues:				
State categorical funds	(3,959,238)	(7,709,923)	(3,750,685)	
Short-Doyle/Medi-Cal funds	(3,897,303)	(3,020,753)	876,550	
Other	(1,348,593)	(1,096,367)	252,226	
Net treatment costs	<u>8,382,385</u>	<u>6,211,125</u>	<u>(2,171,260)</u>	
Total direct and indirect costs	10,661,970	7,902,203	(2,759,767)	
Less late claim penalty	(11,000)	(11,000)	—	
Total program costs	<u>\$10,650,970</u>	7,891,203	<u>\$(2,759,767)</u>	
Less amount paid by the State		<u>(5,586,650)</u>		
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 2,304,553</u>		

<sup>1</sup> See the Findings and Recommendations section.

# Findings and Recommendations

**FINDING 1—  
Overstated  
assessment and  
treatment costs**

The county overstated costs by \$182,067 for the audit period.

The county prepared the claim based on preliminary unit-of-service reports that were prepared prior to the final settlement. In some cases, the county applied an inaccurate cost per unit. Furthermore, the county claimed ineligible services (e.g., crisis intervention).

We adjusted costs based on actual units of service provided to eligible clients using the appropriate unit cost that represented the actual cost to the county.

The parameters and guidelines for the program specify that only the following services are reimbursable: case management, assessment, individual therapy, collateral therapy and contacts, group therapy, day treatment, and day rehabilitation. Beginning with fiscal year (FY) 2001-02, medication monitoring is reimbursable as well. Beginning with FY 2004-05, out-of-home residential placement: mental health treatment and room-and-board costs are both reimbursable. Prior to the change, only mental health treatment costs were reimbursable.

The following table summarizes the overstated costs claimed:

	Fiscal Year			Total
	2003-04	2004-05	2005-06	
Assessment costs	\$ (74,855)	\$ (2,648)	\$ 51,351	\$ (26,152)
Treatment costs	(84,214)	(80,198)	8,497	(155,915)
Total adjustment	<u>\$ (159,069)</u>	<u>\$ (82,846)</u>	<u>\$ 59,848</u>	<u>\$ (182,067)</u>

Recommendation

We recommend that the county use actual unit-of-service costs per unit, and claim only eligible services in accordance with the mandate program.

County’s Response

In the past, the County has disagreed with the State’s interpretation of Crisis Intervention eligibility. However, San Mateo County now recognizes that the Parameters and Guidelines for this program specifically excludes crisis intervention as a reimbursable activity beginning in FY 2006-07. Therefore, the County’s 2006-07 claim did not include any Crisis Intervention expenses. Furthermore, the County prepared the claim based on preliminary unit-of-service reports that were prepared prior to the final settlement which accounted for the difference on the eligible services that were claimed (excluding crisis intervention).

SCO's Comment

The finding remains unchanged.

Crisis intervention services are not identified in the parameters and guidelines for the state-mandated Handicapped and Disabled Students Program as reimbursable costs. The parameters and guidelines change affecting FY 2006-07 clarifies that such services are not reimbursable.

We agree that a portion of the adjustments relates to the use of preliminary unit-of-service reports that were prepared prior to the final settlement. However, the latest available unit-of-service information was not consistently used when the county filed its claims. Also, the county has one year after the due date of each claim to amend the original claim and make any appropriate corrections. The county amended its claims in each fiscal year, but did not adjust for actual units of service or errors made in the original claims.

**FINDING 2—  
Understated  
administrative costs**

The county understated its administrative costs by \$684,802 for the audit period.

The county computed administrative rates based on State Department of Mental Health forms MH 1960 and MH 1992. However, the county omitted utilization review costs and the corresponding revenue from its calculation of administrative rates for FY 2003-04 and FY 2004-05. In addition, for FY 2003-04 and FY 2004-05, the county applied other general revenue as an offset. We made other adjustments to administrative costs because the county included ineligible services, used inaccurate unit-of-service reports, and applied administrative rates to total costs.

We recalculated the indirect rates using total administrative costs and offsetting revenues, and applied the rates to eligible direct costs. This re-calculation resulted in an increase in the administrative rates. For FY 2003-04 and FY 2004-05, the indirect rates rose from 6.72% to 12.49% and from 7.66% to 14.16%, respectively. For FY 2005-06, the county applied a method consistent with the SCO's, resulting in the same administrative rate.

The parameters and guidelines specify that if administrative costs incurred in the performance of the mandated activities are adequately documented, they are reimbursable.

The parameters and guidelines further specify that if the State Department of Mental Health has not already compensated reimbursable indirect costs from categorical funding sources, the indirect costs may be claimed.

The following table summarizes the understated administrative costs claimed:

	Fiscal Year			Total
	2003-04	2004-05	2005-06	
Assessment	\$ 34,458	\$ 41,007	\$ 2,773	\$ 78,238
Treatment	289,441	301,060	16,063	606,564
Total adjustment	<u>\$ 323,899</u>	<u>\$ 342,067</u>	<u>\$ 18,836</u>	<u>\$ 684,802</u>

Recommendation

We recommend that the county include all relevant costs and related offsetting revenue in its calculation of administrative cost rates and apply the rates to eligible direct costs.

County's Response

The county agreed with the finding.

**FINDING 3—  
Understated offsetting  
revenue**

The county understated offsetting revenues by \$3,262,502 for the audit period.

The county miscalculated revenues by using preliminary Medi-Cal units; applying inappropriate cost-per-unit rates; applying incorrect funding percentages for Healthy Families (HF) and Early and Periodic Screening, Diagnosis, and Treatment (EPSDT), including revenues related to disallowed costs; and misapplying Individuals with Disabilities Education Act (IDEA) funding, third party payer revenues, and AB 599 funding.

We recalculated total revenues and applied the appropriate cost per unit to eligible units of service, used the correct funding percentages for HF and EPSDT, excluded revenues related to disallowed costs, and applied IDEA funding, third party payer revenues, and AB 599 funding.

The parameters and guidelines specify that any direct payments (categorical funds, Short Doyle/Medi-Cal FFP, and other offsets such as private insurance) received from the State that are specifically allocated to the program, and/or any other reimbursement received as a result of the mandate, must be deducted from the claim.

The following table summarizes the understated offsetting revenues claimed:

	Fiscal Year			Total
	2003-04	2004-05	2005-06	
Assessment	\$ (188,432)	\$ (171,507)	\$ (280,654)	\$ (640,593)
Treatment	(2,379,193)	(174,980)	(67,736)	(2,621,909)
Total adjustment	<u>\$(2,567,625)</u>	<u>\$(346,487)</u>	<u>\$(348,390)</u>	<u>\$(3,262,502)</u>

Recommendation

We recommend that the county apply appropriate reimbursement percentages and all applicable revenue funds when computing offsetting revenues.

County's Response

The county agreed with the finding in principle but addressed some points in their response: the county has implemented a process to account for all offsetting revenues relative to future claims, the claiming instructions and forms do not adequately address the number of revenue sources, and the settlement process hampers the county's ability to accurately apply offsetting revenues.

SCO's Comment

The finding remains unchanged.

Concerning the settlement process, we agree that the statutory timelines for filing a claim make it more difficult to accurately determine offsetting revenues due to the settlement process of Medi-Cal and EPSDT, and subsequent program reallocations of IDEA funds. Nevertheless, the county has one year after the due date of each claim to amend the original claim and make any appropriate corrections. The county amended its claims in each fiscal year of the audit period; however, the amendments did not address the use of preliminary Medi-Cal units, incorrect funding percentages, or the omission of relevant revenue sources.

**Attachment—  
County's Response to  
Draft Audit Report**

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# HEALTH DEPARTMENT

December 17, 2008

*Via PDF, emailed*

Mr. Jeff Brownfield  
State Controller's Office – Audits Division Chief  
300 Capitol Mall, Suite 518  
Sacramento, CA 95814

Subject: County of San Mateo – Mandated Cost Audit FY 2003-04 to 2005-06  
Chapter 1747 of 1984 – Handicapped & Disabled Students

Dear Mr. Brownfield:

Thank you for providing the County of San Mateo with the draft findings for your audit of the Handicapped & Disabled Students mandated program. The County disagrees with the one of the findings outlined in the draft audit report received by our office on November 10, 2008. Our comments are as follows:

**Finding #1 – Overstated Treatment Costs (Crisis Intervention)**

In the past, the County has disagreed with the State's interpretation of Crisis Intervention eligibility. However, San Mateo County now recognizes that the Parameters and Guidelines for this program specifically excludes crisis intervention as a reimbursable activity beginning in FY 2006-07. Therefore, the County's 2006-2007 claim did not include any Crisis Intervention expenses. Furthermore, the County prepared the claim based on preliminary unit-of-service reports that were prepared prior to the final settlement which accounted for the difference on the eligible services that were claimed (excluding crisis intervention).

**Finding #2 – Understated Administrative Costs**

The County agrees with this finding and the discrepancy in the administrative costs has to do with the way in which the revenue offsets impact the calculation of those administrative cost rates. The County concurs with this finding and will prepare administrative cost calculations in accordance with the methods outlined in the draft report in future claims.

**Finding #3 – Understate Offsetting Revenue**

Although the County agrees in principal to these findings, there are several items related to offsetting revenue that need to be pointed out:

**MENTAL HEALTH SERVICES DIVISION**

Board of Supervisors: Mark Church • Rose Jacobs Gibson • Richard S. Gordon • Jerry Hill • Adrienne Tissier • Health Director: Charlene Silva

225 - 37th Avenue • San Mateo, CA 94403 • PHONE 650.573.2541 • TDD 650.573.3206 • FAX 650.573.2841

<http://www.smhealth.org>

The majority of the finding is due to the fact that the State categorical funding was not offset from the fiscal year 2003-2004 claim. Of the \$2,661,525 costs disallowed by the audit for the 2003-04 claim, the state categorical funding accounts for \$2,579,395 of the finding. The County agrees that the State Categorical funding is an appropriate revenue offset to this program and that we were at fault for not deducting this amount from our claim. The County has implemented a process to ensure that all offsetting revenues are accounted for its future SB 90 claims.

Also, the claiming instructions for this program and the corresponding claim forms only indicate one spot or with three lines for offsetting revenue. However, the draft report displays a calculation for offsetting revenue from six activities within the claim. There is no way to assign offsetting revenues to different activities other than placing those amounts in the appropriate boxes of the claim forms. Secondly, the claiming instruction timelines make it impossible to accurately claim offsetting revenue, because of settlement issues. For many offsetting sources or revenue (Medi-Cal Federal Financial Participation, EPSDT State General Fund) the claims or payments that need to be offset from the mandated cost claim are not completely resolved or settled well beyond the fiscal year that services have been provided in. By the time the revenue question is settled, the statutory window for amending the reimbursement claims has passed. This timing issue tilts things in the State's favor dramatically with respect to offsetting revenue; basically allowing the State to adjust the revenue offsets in one direction after the window for amending claims is closed to the County.

In closing, we ask that if your office is going to have findings related to how offsetting revenue is displayed or which activities it is attributed to, that your office amend or improve the instructions and claim forms can accurately match up with your office's presentation of the costs and audit activity.

The County of San Mateo thanks the State Controller's Office for this opportunity to comment on the draft report. We respectfully disagree with Finding #1 in your draft report and ask that you forward this response to legal counsel before proceeding with your audit report. If you have any questions about this response, please do not hesitate to contact me at 650-573-2192.

Sincerely,



Bob Adler, Assistant Auditor-Controller  
San Mateo County Controller's Office



Charlene A. Silva, Interim Chief  
San Mateo County Health System

cc: Jim Spano, Audit Chief  
Patrick Sutton, Fiscal Officer, Behavioral Health & Recovery  
Louise Rogers, Director, Behavioral Health & Recovery



**State Controller's Office  
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