

**TO** 9-1-1 Funding Recipients

**FROM** 9-1-1 Office  
Pennsylvania Emergency Management Agency

**DATE** December 8, 2016

**RE** **Information Bulletin 2016-3**  
2016 Combined Report Instructions

**MESSAGE:**

The purpose of this document is to provide instructions for completing the 2016 Combined Report covering January 1, 2016 – December 31, 2016. **Please submit the Combined Report via the PEMA 9-1-1 Webtool by March 31, 2017.**

**COMBINED REPORT OVERVIEW:**

The 2016 Combined Report consists of the following sections:

1. Uniform 9-1-1 Fund Activity
2. Schedule A – Formula Funding Expenditures
3. Schedule B – Statewide Interconnectivity Funding Expenditures (**NEW**)
4. Schedule C – Reserves & Deferrals (**NEW**)
5. Annual Report – 1/1/2016 – 12/31/2016

**2016 COMBINED REPORT – NEW ITEMS:**

Basis of Accounting:

- The Combined Report is to be completed using the modified accrual basis of accounting.
- Changing to modified accrual aligns the Combined Report with how most counties account for 9-1-1 funds under Act 12.
- Most counties will not notice a difference from 2015 reporting requirements.

Sorting:

- All columns on the Combined Report can be sorted by clicking on the column header.

Schedule B:

- New schedule to report costs for statewide interconnectivity projects.
- Schedule B is also used to notify PEMA when milestones and projects are complete.

Schedule C:

- New schedule to allocate 9-1-1 funding to capital or operating reserves.
- Schedule C will also allow deferred expenses for 2017 to be tracked.

Annual Report – Other Activity:

- Revised to allow detailed reporting for 9-1-1 activities not related to 9-1-1 surcharge revenue.

## **GENERAL REPORTING GUIDELINES**

**The Combined Report is to be completed using the modified accrual basis of accounting.**

### **Modified Accrual Basis of Accounting:**

Under Act 12, a county will no longer receive 9-1-1 surcharge revenue directly from a provider. All 9-1-1 surcharge revenue is received from PEMA and this funding is restricted for 9-1-1 use. Therefore, it is anticipated that most counties will report 9-1-1 Funds as a Special Revenue fund type (using modified accrual accounting) for county-wide financial reporting purposes.

**This change will allow the Combined Report to align with most County's accounting practices for 9-1-1 funding. Counties should not realize a major difference from 2015 Combined Report requirements.**

### **General Guidelines for Reporting Expenditures:**

1. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.
2. Report costs for goods received or services provided between 1/1/2016 – 12/31/2016 rather than when cash is actually exchanged.

#### Examples:

- *A County/City receives an invoice for services rendered at the PSAP in December 2016. Payment will likely not be issued until January or February. The expenditure should be reported on this reconciliation report since the service was rendered in December.*
- *Another example would be personnel expenditures for December. Even though, some of the expenditure may be paid in January, the cost related to December should be reported on this reconciliation report.*

#### Clarification for annual or multi-year contracts:

- PEMA received many questions last year regarding how to treat annual or multi-year contracts. For contracts or prepaid items (Insurance, rent, equipment maintenance, etc.) that extend over more than one accounting period (I.e. an annual contract from March 2016 – March 2017 or a three year contract from January 2016 – January 2019), the cost should be allocated evenly over the life of the contract.

*Example: A county outlays \$100,000 for a 3 year contract; they would start with a prepaid asset of \$100,000 on their balance sheet as of the date the upfront payment is made for the contract, instead of expensing it upon payment. And then each month, they would reduce the prepaid by 1/36th (\$2,777.28), and expense the same amount each month. This treatment should be consistent with what each County is doing for their own financial reporting (whether accrual or modified accrual, it's the same) on an entity wide basis.*

#### Differences for modified accrual that report preparers should be aware of:

- Debt service costs are only reported when payments for these purposes are due.
- Specific payroll related items such as compensated absences, pension benefits, and claims and judgments are only reported when payments for these purposes are due.

**SUPPORTING DOCUMENTATION**

- PSAPs may upload any supporting documentation needed to support eligibility at any time.
- Following submission of your Combined Report, a list of randomly selected items from Schedule A will be provided, for which supporting documentation must be submitted.
  - Please note: This step may not occur if a county uploads supporting documentation to support eligibility when completing the Combined Report.
- Supporting documentation will be generally considered adequate if the amount, date, vendor and description of the expenditure are provided.
- Supporting documentation may be requested whenever eligibility for a line item is not clear.
- Eligibility is determined by comparing the information entered on the Combined Report and/or supporting documentation to the Eligible Uses criteria on the 2016 Eligibility Factors List.

**UNIFORM 9-1-1 FUND ACTIVITY 1/1/2016 – 12/31/2016**

**General Instructions:**

- **Lines 1 – 6 are prepopulated by PEMA.**
- The *Balance* amount represents the amount of 9-1-1 surcharge revenue available.
- The *Balance* amount must not be a negative number.

**Line Item Instructions:**

- **The report preparer is only required to complete Line 7 – Interest Earned.**  
To enter the total amount of interest earned:
  1. Click on the “Edit Required Entries” button above the beginning balance field.
  2. Enter the total amount of interest earned and click the “Save” button.

LINE ITEM		INFORMATION/INSTRUCTIONS
1	Beginning Balance 1/1/2016	Amount is the ending Balance on the 2015 Combined Report.
2	Formula Payment – 1st Quarter 2016	The formula based payment amount from 9-1-1 revenue remitted for January - March 2016
3	Formula Payment – 2nd Quarter 2016	The formula based payment amount from 9-1-1 revenue remitted for April - June 2016.
4	Formula Payment – 3rd Quarter 2016	The formula based payment amount from 9-1-1 revenue remitted for July – September 2016.
5	Formula Payment – 4th Quarter 2016	The formula based payment amount from 9-1-1 revenue remitted for October - December 2016.
6	Statewide Interconnectivity Payment(s)	Payments received for statewide interconnectivity projects in calendar year 2016.
7	Interest Earned	The total amount of interest earned (locally) on 9-1-1 funds in calendar year 2016.
Total Revenue		Equals the sum of lines 1 – 7 in this section.
Total Expenditures		Equals the sum of all amounts entered into Schedule A, Column H and Schedule B, Column J.
Total Reserves		Equals “Total Reserve Allocations” from Schedule C.
Balance		<i>Total Revenue less Total Expenditures less Total Reserves.</i>

**SCHEDULE A – FORMULA FUNDING EXPENDITURES**

**General Instructions:**

- Use Schedule A to reports costs funded by formula based funds (83% funds) in 2016.
- Costs must not exceed *Total Revenue* shown in the Uniform 9-1-1 Fund Activity Section.
- Costs that exceed *Total Revenue* should be reported in the “Other Activity” section of the Combined Report.

**Line Item Instructions:**

- **To enter an item on Schedule A:**
  1. Click the “Create New Line” button to enter a new line item on Schedule A.
  2. Provide the following information for each column on Schedule A.

COLUMN		INFORMATION/INSTRUCTIONS
A	Cost Type	Select a Cost Type from the drop-down list. <ul style="list-style-type: none"> <li>• <i>Cost Types reflect the 2016 Eligibility Factors List.</i></li> </ul>
B	Cost Category	Select a Cost Category from the drop-down list. <ul style="list-style-type: none"> <li>• <i>Cost Categories reflect the 2016 Eligibility Factors List.</i></li> </ul>
C	Vendor Invoice #	Enter the vendor’s invoice number.
D	Invoice Date	Enter the vendor’s invoice date.
E	Vendor Name	For each item, enter the vendor name from the invoice. <ul style="list-style-type: none"> <li>• <i>Enter the vendor that provided the goods or services.</i></li> <li>• <i>Please do not combine multiple vendors or use the county name as the vendor.</i></li> <li>• <i>If the purpose of the expenditure was to reimburse the general fund or another entity, the name of the vendor that provided the goods or services must still be entered.</i></li> </ul>
F	Item Description	For each item, enter a brief but specific description of the goods or services received. <ul style="list-style-type: none"> <li>• <i>PSAPs are responsible to demonstrate eligibility for costs listed on Schedule A. The description must be specific enough to justify the item meets the “Eligible Uses” criteria for the selected cost category on the 2016 Eligibility Factors List.</i></li> </ul>
G	Total Amount of Invoice	Enter the total amount of the invoice regardless of how much is charged to 9-1-1 funding. <ul style="list-style-type: none"> <li>• <i>This amount will be used to help identify supporting documentation.</i></li> </ul>
H	Amount Charged to 9-1-1 Fund	Enter the portion of the invoice that applies to the item described on the schedule and that was paid for with formula based 9-1-1 funds.

**SCHEDULE B – STATEWIDE INTERCONNECTIVITY FUNDING EXPENDITURES**

**General Instructions (Please only report project costs incurred in 2016):**

- Use Schedule B to report 2016 statewide interconnectivity project costs by project and milestone.
- The 2017 Combined Report will be available 1<sup>st</sup> quarter 2017 to report costs incurred in 2017.
- Schedule B is automatically populated with individual project information.
- Information for projects not completed in 2016 is carried forward to the 2017 Combined Report.

**Line Item Instructions:**

- **To enter an expenditure for a project and milestone:**
  1. Click the “New Expenditure” button next to the related project and milestone.
  2. Provide the following information for each column on Schedule B.

COLUMN		INFORMATION/INSTRUCTIONS
A	Project	Automatically populated based on which Project/ milestone selected.
B	Milestone	Automatically populated based on the milestone selected.
C	Cost Type	Select a Cost Type from the drop-down list. <ul style="list-style-type: none"> <li>• <i>Cost Types reflect the 2016 Eligibility Factors List.</i></li> </ul>
D	Cost Category	Select a Cost Category from the drop-down list. <ul style="list-style-type: none"> <li>• <i>Cost Categories reflect the 2016 Eligibility Factors List.</i></li> </ul>
E	Vendor Invoice #	Enter the vendor’s invoice number.
F	Invoice Date	Enter the vendor’s invoice date.
G	Vendor Name	Enter the vendor name from the invoice. <ul style="list-style-type: none"> <li>• <i>Follow the same guidance from Schedule A.</i></li> </ul>
H	Item Description	Enter a description of the expenditure. <ul style="list-style-type: none"> <li>• <i>Follow the same guidance from Schedule A.</i></li> </ul>
I	Total Amount of Invoice	Enter the total amount of the invoice.
J	Amount Charged to 9-1-1 Fund	Enter the portion of the invoice paid for with statewide interconnectivity funding.

**What happens when a “New Expenditure” is added?**

1. The “Expenditures” total for the particular project and milestone is automatically updated.
2. A line is added to the expenditure summary table; similar in appearance to Schedule A.
3. The report preparer may upload documentation or edit any line item in this table.
4. All columns in Schedule B are sortable by clicking on the column header.

**Project Status & Payments**

PSAPs are responsible for keeping the project status current. PEMA will advance funds per milestone as they are completed. The last milestone will be on a reimbursement basis.

**To notify PEMA that a milestone is completed:**

1. Click the “Set Status” button for the project & milestone.
2. Select “Completed” from the drop-down menu.
3. PEMA is notified that the milestone is complete; payment is processed for the next milestone.

**To notify PEMA that a project is completed:**

1. Verify all costs have been entered on Schedule B for the project.
2. Click the “Set Status” button for the project & **LAST** milestone.
3. Select “Completed” from the drop-down menu.
4. PEMA is notified the project has been completed; payment will be processed as a reimbursement for the remaining costs of the project.

**SCHEDULE C – RESERVES & DEFERRALS**

**General Instructions:**

- **Schedule C is optional on the 2016 Combined Report.**
- Use Schedule C to allocate 9-1-1 surcharge revenue to capital or operating reserves.
- **RESERVES:**
  - A county may allocate available amounts from their 9-1-1 Fund balance to capital or operating reserves; showing these funds are dedicated to a future purpose.
  - Allocations to reserves must not exceed the Reserve Cap.
  - PEMA will set arbitrary Reserve Caps for the 2016 Combined Report. PEMA, in consultation with the 9-1-1 Advisory Board, will set more defined Reserve Caps for 2017.
  - **A county must maintain an accurate reserve balance.** Line items should be entered with negative numbers to reduce your reserve balance.
- **DEFERRED EXPENSE:**
  - Schedule C may also be used to report deferred expenses for 2017.
  - A deferred expense is a cost already incurred, but has not yet been consumed or used.
  - Deferred expenses reported on Schedule C of the 2016 Combined Report will automatically populate Schedule A on the 2017 Combined Report.

*Example of a deferred expense:*

*A PSAP enters into an annual contract from March 2016 – March 2017:*

- *Costs for March 2016 – December 2016 are reported on Schedule A.*
- *Costs for January 2017 – March 2017 may be reported on Schedule C as a deferred expense.*

**Line Item Instructions:**

- **To enter a line item on Schedule C:**
  1. Click the “Create New Line” button to enter a line item.
  2. Provide the following information for each column on Schedule C:

COLUMN		INFORMATION/INSTRUCTIONS
A	Transaction Type	Select one of the following options: <b>Capital</b> – To allocate funding towards the future purchase of equipment. <b>Operating</b> – To allocate funding towards future operating costs. <b>Deferred</b> – To record deferred expenses for 2017.
B	Cost Type	Select a Cost Type from the drop-down list. <i>Only required for Capital Reserves and Deferred expenses.</i>
C	Cost Category	Select a Cost Category from the drop-down list. <i>Only required for Capital Reserves and Deferred expenses.</i>
D	Vendor Invoice #	<i>Enter the vendor’s invoice number. Only required for deferred expenses.</i>
E	Invoice Date	Enter the vendor’s invoice date. Only required for deferred expenses.
F	Vendor Name	Enter the vendor name from the invoice. Only required for deferred expenses.
G	Item Description	Enter a description of the expenditure. Only required for deferred expenses.
H	Total Amount	Enter amount allocated to capital or operating reserves or the amount of the deferred expense.

**ANNUAL REPORT 1/1/2016 - 12/31/2016**

Per Act 12, PEMA must report to the General Assembly annually on the revenue and distributions from the fund for the previous year and on compliance with the priorities for 9-1-1 systems in the Commonwealth.

Information for the Annual Report to the General Assembly will be compiled from this section of the Combined Reports submitted to PEMA.

The Annual Report 1/1/2016 – 12/31/2016 section consists of five segments:

1. Uniform 9-1-1 Funding Activity
2. Other Activity
3. Call Volume Information
4. Cal Volume File Manager
5. County Controller’s Certification

Instructions for each segment of the Annual Report 1/1/2016 – 12/31/2016 section are as follows:

**1. UNIFORM 9-1-1 FUNDING ACTIVITY**

**General Instructions:**

- No activity is required of the report preparer.
- This section is pre-populated from information entered on the proceeding schedules.

**2. OTHER ACTIVITY**

**General Instructions:**

- Use the Other Activity segment to report:
  - PSAP expenditures not funded by 9-1-1 surcharge revenue.
  - PSAP revenue other than 9-1-1 surcharge revenue and associated interest earned.

**Line Item Instructions:**

- **To enter a line item:**
  1. Click the “Create New Line” button to enter a line item.
  2. Populate the following fields.

COLUMN	INFORMATION/INSTRUCTIONS
<b>Activity Type</b>	Select Other Expenditure or Other Revenue from the drop-down menu.
<b>Cost Type</b>	Select a Cost Type from the drop-down list. <i>Only required for Other Expenditures.</i>
<b>Cost Category</b>	Select a Cost Category from the drop-down list. <i>Only required for Other Expenditures.</i>
<b>Item Description</b>	Enter a description of the expenditure or revenue
<b>Total Amount</b>	Enter the expenditure or revenue amount.

### 3. CALL VOLUME INFORMATION

#### General Instructions:

- Use the Call Volume Information segment to report calendar year 2016 call activity.

#### Line Item Instructions:

- **To enter 2016 call volume information:**
  1. Click the “Edit Required Entries” button.
  2. Populate the following fields.

COLUMN	INFORMATION/INSTRUCTIONS
<b>Wireless 9-1-1 Calls</b>	Provide the wireless 9-1-1 calls answered by the PSAP in calendar year 2016. <i>Please do not include text-to-9-1-1 calls in this total.</i>
<b>Text-to-9-1-1 Calls</b>	Total text calls answered by your PSAP in calendar year 2016.
<b>Wireline 9-1-1 Calls</b>	Include all landline 9-1-1 calls answered by the PSAP in calendar year 2016.
<b>VoIP 9-1-1 Calls</b>	Include all VoIP 9-1-1 calls answered by the PSAP in calendar year 2016
<b>Total 10 digit incoming calls</b>	Include all non-emergency calls received on 10-digit lines answered by the PSAP in calendar year 2016.
<b>Call Volume Collection Method</b>	Select either Manual or Automated from the drop-down box.

### 4. CALL VOLUME FILE MANAGER

The supporting documentation (report) containing your call volume data must be uploaded OR the manual count box must be checked and your call collection method description must be completed. **PLEASE NOTE: You will not be able to submit the report to PEMA without completing this requirement.**

### 5. COUNTY CONTROLLER’S CERTIFICATION

The Certification must be signed and dated by the County Controller or, in the absence of a controller, the County Senior Fiscal Officer responsible for the 9-1-1 funds. The signature and date page must be uploaded electronically as a PDF file to PEMA by utilizing the “Upload Signature File” function.

Upon completing of the Certification upload requirement and completion of all fields within the form please choose “Submit Report”.