

Intermediate Unit Reporting Guide



Tom Wolf, Governor ▪ Pedro A. Rivera, Secretary of Education

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This document is a reminder and guide only; it is not to supersede legislation or specific legal guidance you may receive.

Background

On 06/30/2011, the Governor signed into law Act 24 of 2011 amending the PA School Code. Section 907-A created a new reporting requirement for Intermediate Units. The complete text of this section can be found by accessing the PA General Assembly website (<http://www.legis.state.pa.us/>) or directly [here](#). The Pennsylvania Department of Education (PDE) has developed this question and answer guide to assist Intermediate Units in completing the required Section 907-A reporting. PDE was tasked with developing a report format for Intermediate Unit use and posting those on our website.

About the Act

Q: Who has to report?

A: All Intermediate Units (IUs).

Q: What do I have to report?

A: Each IU shall submit to PDE a report on subsidies and funds received through contracts or agreements.

Q: What information must be included in the report?

A: The report shall include the following information:

- (1) A listing of all contracts, interagency agreements, intergovernmental agreements, purchase orders, memoranda of understanding, agreements and other arrangements (hereinafter collectively referred to as “agreements”) between a Commonwealth agency and the IU and between the IU and another or other IUs, which agreements have a value of \$50,000 or greater.
- (2) For each agreement listed under paragraph (1), the following information must also be provided:
 - (a) The total amount and duration of the agreement, including the annual amount if the agreement covers multiple years.
 - (b) The sources and amounts of funds needed to cover the entire cost of the agreement.
 - (c) A description of programs or services, or both, being provided under the agreement
 - (d) The performance measures by which the IU’s provision of programs and/or services under the agreement will be assessed
 - (e) Any penalties for nonperformance under the agreement.
 - (d) A description of the process whereby the IU was selected for or awarded the agreement.
 - (e) A listing of all employees, contractors and agents performing work under the agreement, a description of the duties of each individual and the payment made to each individual for that work.

Q: When/How do I report?

A: When: By no later than February 1, 2012, and by February 1 of each year thereafter.

How: By completing the template provided by PDE and returning it to PDE.

Q: What is the period of time that the report should cover?

A: The first report must cover fiscal years 2009-2010 and 2010-2011. Each subsequent report will cover the previous fiscal year.

Q: Is this a one-time report?

A: No, this report will be required annually beginning in February of 2012.

Q: Where do the reports go?

A: The IUs submit their reports to PDE which PDE posts, unaltered, on its public website: [PDE's Website](#)

Frequently Asked Questions

Q: Where will the public direct questions about the reports?

A: Any questions about the content of the reports must be submitted to the Intermediate Units directly. Intermediate Unit information can be found on EdNA (Education Names and Addresses) at <http://edna.ed.state.pa.us/> under “[Search for Intermediate Units](#)”. PDE will not answer questions on behalf of IU’s with regard to the content of the submitted report.

Q: Where can Intermediate Units direct questions about the report?

A: The reports will be posted by PDE’s webmaster. Send technical questions/issues regarding the website content to: RA-EDIUReporting@pa.gov. For any other questions, please contact the bureaus directly for more information via PDE’s website: [Home](#) > [Contact Information](#).

Q: What is PDE’s role in the report?

A: Per section 907(B)(2-3): The Department of Education shall develop the format to be used by the Intermediate Units preparing the report required under Section 907 (B) (1). The Department of Education shall post the reports on its publicly accessible Internet website.

Please Note: Reports are submitted to the Pennsylvania Department of Education by the referenced Intermediate Unit, in accordance with section 907-A of the Public School Code, as added by Act 24 of 2011. The Intermediate Unit bears sole responsibility for the contents of the reports. Any questions concerning the contents of the report(s) will be directed to the Intermediate Unit.

Q. Must an Intermediate Unit report information on agreements with other Intermediate Units?

A. Yes, per Section 907 (B) (1) (i).

Q: Is this reporting separate from other program and fiscal reports due to PDE under law or a given agreement?

A: Yes, this is a separate report and cannot be used to satisfy other reporting obligations.

Q: The information due February 1, 2012 is for two fiscal years. Will there be one template or two?

A: Each report is for one fiscal year. For the first reporting year, IUs will submit two reports, one each for FY 2009-2010 and FY 2010-2011. Each year thereafter on or before February 1st, IUs will submit one template for the prior fiscal year.

Q. What if one of the items requested regarding a specific agreement did not exist, i.e. performance measures were not specified in the agreement?

A. If an item did not exist, enter “N/A” in the column – do not leave the column blank.

Q. In the column on remuneration, do I report the total over the life of the agreement or only the annual amount?

A. Report remuneration of individuals on an annual basis.

Q. Where can I get more specific information on the report?

A. Please see the “Breakdown of Report by Column” and “Footnote Document” below.

INTERMEDIATE UNIT REPORTING
Breakdown of Report by Column

TYPE OF AGREEMENT (Column 1) – table format (for drop-down menu) is as follows:

CODE	TYPE OF AGREEMENT
C	Contract (includes Riders)
IU	IU to IU Agreement
IGA	Intergovernmental Agreement
PO	Purchase Order – (use only if no agreement #) Services Only (excludes products)
MAWA	Mutually Agreed-upon Written Agreement
MOU	Memorandum of Understanding
O	Other

AGREEMENT NUMBER (Column 2) – represents the official agreement or award number (if assigned) such as the PDE Award Number, Subsidy Program Number or Federal Award Number (each of which ties to Audit Confirm). *For purposes of the Intermediate Unit Reporting, if an actual agreement number does not exist, then the reporting Intermediate Unit should create a unique number for the purposes of this report.*

COMMONWEALTH AGENCY/INTERMEDIATE UNIT (Column 3) – represents the Commonwealth Agency or Intermediate Unit with whom the reporting intermediate unit has an agreement over \$50,000 (i.e. PDE, DPW, OCDEL, etc.).

DATE OF EXECUTION OF AGREEMENT (Column 4) – MM/DD/YY. Intermediate Units will report on agreements that start July 1, 2009 and later with the exception of any ARRA funds.

PERIOD OF DURATION OF ITEM (Column 5) – Agreement end date – MM/DD/YY

TOTAL AMOUNT (Column 6) – represents the entire contract or award amount regardless of whether it spans multiple fiscal years.

ANNUAL COST IF AGREEMENT EXCEEDS 12 MONTHS – (Column 7) – the reporting intermediate unit will report in this column only the total amount expended under this agreement in the reporting fiscal year. This will provide for consistency in reporting between the Annual Financial Report (AFR) and the Intermediate Unit Reporting (IUR).

FUNDING SOURCE (Column 8) – represents the major revenue source. The current table format (for drop-down menu) is as follows:

CODE	FUNDING SOURCE (Column 8)
Local	Local (IU to IU)
State	State
Federal	Federal

DESCRIPTION OF PROGRAM OR SERVICES (Column 9) – is the description as defined by the revenue source code from the PA Manual of Accounting and Financial Reporting. *For purposes of the Intermediate Unit Reporting, Revenue Source codes in the 8000 series will reflect Federal revenues passed through the Commonwealth ONLY.* The current table format (for drop-down menu) is as follows:

PA FUNDING SOURCE CODE	DESCRIPTION OF PROGRAM OR SERVICES
6821	State Revenue Received From Other PA Public Schools (IU to IU Only)
6831	Federal Revenue Received From Other PA Public Schools (IU to IU Only)
7110	Basic Education
7120	General Operating Subsidy
7130	Capital Subsidy
7140	Charter Schools
7160	Tuition for Orphans and Children Placed in Private Homes
7170	School Improvement Grants
7180	Staff and Program Development
7210	Homebound Instruction
7220	Vocational Education
7230	Alternative Education
7240	Driver Education – Student
7250	Migratory Children
7260	Workforce Investment Act (WIA)
7270	Specialized Education of Exceptional Pupils
7271	Special Education Funding For School Aged Pupils
7272	Early Intervention
7280	Adult Literacy
7290	Additional Educational Program Revenues
7310	Transportation (Regular and Additional)
7320	Rental and Sinking Fund Payments/Building reimbursement Subsidy
7330	Health Services (Medical, Dental, Nurse, Act 25)
7340	State Property Tax Reduction Allocation
7350	Sewage Treatment Operations/Environmental Subsidies
7360	Safe Schools
7400	Vocational Training of the Unemployed
7501	PA Accountability Grants
7502	Dual Enrollment Grants
7503	Project 720/High School Reform
7504	School Improvement/Professional Development Initiatives (IU ONLY)
7510	Voc Ed Tutoring Funds
7599	Other State revenue not listed elsewhere in the 7000 series
7600	Revenue for Milk, Lunch and Breakfast Programs
7700	Revenue for Nonpublic Program Subsidy – Act 89
7910	Revenue for Educational Technology
7920	Classrooms for the Future
7990	Other Technology Grants
8100	Unrestricted Grants-in-Aid Direct from the Federal Government
8200	Unrestricted Grants-in-Aid from the Federal Government through the Commonwealth of PA
8300	Restricted Grants-in-Aid Directly from the Federal Government
8500	Restricted Grants-in-Aid from the Federal Government through the Commonwealth of PA for IDEA, NCLB, Voc Ed, Child Nutrition and Career Education Programs (REPORT IN SUBACCOUNTS)
8511	Grants for IDEA and NCLB Programs Not Specified in the Following 8510 Series
8512	IDEA, Part B
8513	IDEA, Section 619
8514	NCLB, Title I – Improving the Academic Achievement of the Disadvantaged
8515	NCLB, Title II – Preparing, Training and Recruiting High Quality Teachers and Principals
8516	NCLB, Title III – Language Instruction for Limited English Proficient and Immigrant Students

PA FUNDING SOURCE CODE	DESCRIPTION OF PROGRAM OR SERVICES
8517	NCLB, Title IV – 21 st Century Schools
8518	NCLB, Title V – Promoting Informed Parental Choice and Innovative Programs
8519	NCLB, Title VI – Flexibility and Accountability
8521	Vocational Education – Operating Expenditures
8522	Vocational Education – Capital Outlay
8530	Child Nutrition Program
8540	Nutrition Education and Training
8560	Federal Block Grants
8580	Child Care and Development Block Grants
8610	Homeless Assistance Act
8620	Adult Basic Education
8640	HeadStart (passed through the Commonwealth ONLY)
8660	Workforce Investment Act (WIA)
8690	Other Restricted Federal Grants-In-Aid Through the Commonwealth
8701	ARRA – IDEA, Part B
8702	ARRA – IDEA, Section 619
8703	ARRA – Title I, Parts A & D
8704	ARRA – Title I, School Improvement
8705	ARRA – Title II, Part D – Education Technology
8706	ARRA – McKinney-Vento Homeless
8707	ARRA – National School Lunch Program Equipment
8708	ARRA – State Fiscal Stabilization Fund
8721	ARRA – HeadStart
8731	ARRA – Build America Bonds
8799	ARRA – Miscellaneous Revenue
8810	School Based ACCESS Medicaid Reimbursement Program Reimbursements
8820	Medical Assistance Reimbursement for Administrative Claiming Program
8830	Medical Assistance Reimbursements (ACCESS) – Early Intervention
Other	PA Funding Source is not in this list, manual entry of the code and description

ADDITIONAL DESCRIPTION FOR FURTHER CLARIFICATION (Column 10) – (OPTIONAL) - Some discretionary funding from PDE and some IU to IU transactions may require additional descriptive information regarding the purpose of the funds. Use this field to briefly describe (20 characters) the nature of the agreement if the PA Funding Source in Column 9 is not enough. For example: If using 6821-State Revenue Received From Other PA Public Schools for an Intermediate Unit to Intermediate Unit agreement, then this column would contain the Description of the Agreement.

SELECTION PROCESS (Column 11) – briefly describes the process by which the reporting Intermediate Unit received the agreement or award. The table format (for drop-down menu) is as follows:

CODE	SELECTION PROCESS (Column 11)
Competitive	Competitive
Assigned	Assigned
Allocation	Allocation Through Grant - IU to IU
Reimburs	Reimbursement (MA)
Other	Other

PERFORMANCE MEASURE (Column 12) - briefly describes the process by which the reporting Intermediate Unit’s performance is measured. The table format (for drop-down menu) is as follows:

CODE	PERFORMANCE MEASURE (Column 12)
Meets	Meets scope of work/objectives
N/A	N/A – used where a specific performance measurement does not exist

POSSIBLE PENALTY FOR NON-COMPLIANCE (Column 13) – briefly describes the possible penalty to the reporting Intermediate Unit if the IU is non-compliant. The table format (for drop-down menu) is as follows:

CODE	POSSIBLE PENALTY FOR NON-COMPLIANCE (Column 13)
Financial	Subject to financial penalty and/or loss of funding
Competitive	Subject to removal from the competitive process
Suspension	Subject to program suspension

LIST OF EMPLOYEES, CONTRACTORS AND AGENTS COVERED UNDER THIS PROGRAM OR SERVICE (Column 14) – The reporting Intermediate Unit will enter the word “VARIOUS” and then provide a supplementary document by agreement number which will include a full listing as required by law.

LIST DUTIES OF EMPLOYEES, CONTRACTORS AND AGENTS COVERED UNDER THIS PROGRAM OR SERVICE³ (Column 15) - The reporting Intermediate Unit will enter the word “VARIOUS” and then provide a supplementary document by agreement number which will include a full listing as required by law. The description of duties will be defined by the Expenditure Function/Object to which the expense was charged. The Function/Object codes are defined in the PA Manual of Accounting and Financial Reporting. Utilization of these codes provides for consistency of reporting with the AFR.

REMUNERATION PROVIDED TO EACH INDIVIDUAL (Column 16) - The reporting Intermediate Unit will enter the word “VARIOUS” and then provide a supplementary document by agreement number which will include a full listing as required by law. The amount listed will be derived from the following major object codes: 100 – Salaries, 300 – Purchased Professional and Technical Services, 513 – Contracted Carriers, and 899 – Pass-Through Payments.

Intermediate Unit Reporting Footnote Document – Background Information

Intermediate Unit Reporting will be consistent with, but not necessarily reconcile to, the Annual Financial Report (AFR) filed by Intermediate Unit's with the Commonwealth since the reporting requirements under Section 907-A do not apply to all funds received by Intermediate Units. Reports will be consistent with the AFR in that the Intermediate Units will utilize the ***Revenue Source, Function and Object*** reporting structure in the PA Manual of Accounting and Financial Reporting for PA Public Schools that is maintained by the Labor, Education and Community Service (LECS) Comptroller's Office.

The LECS Comptroller's Office is part of the Office of the Budget of the Commonwealth of PA. The Comptroller's Office works in tandem with the Department of Education in assisting the Secretary of Education and Governor in enforcing established policies and standards regulating the expenditure of public funds, and advises on the formulation of financial policy. These goals are accomplished by providing payments, support and accounting related information to school entities. The School Finance Division of this office processes over \$6.8 billion in payments to schools throughout the fiscal year. The Federal subsidies section processes over \$1.3 billion in federally sponsored payments. The collection, processing and review of the Annual Financial Report (PDE forms 2056 and 2057) is under the purview of this office. Other functions of this office include the maintenance of a uniform accounting manual, Chart of Accounts and calculations of the tuition rate, actual instructional expense and restricted indirect cost rate.

Revenue Source (Use Required For State Reporting Purposes)

This dimension permits segregation of revenues by source. The primary classification differentiates Local, State and Federal revenue sources. Revenues are classified as local, state or federal sources:

Revenue from local sources is the amount of money produced within the boundaries of the LEA and available to the LEA for its use. It includes tax revenues and other intergovernmental revenues collected by another governmental unit, local tax collector or agent of the LEA (net of collection fees). Shared revenues are revenues levied and / or collected by another governmental unit, and shared with the LEA in proportion to the amount collected on behalf of the LEA. Local source revenues also include investment income, cafeteria revenues, student activity revenues, rental receipts, tuition received from other LEAs or patrons, donations and gifts. Federal, state and local revenues received by the LEA through another governmental unit, school entity, consortium, vocational school, alternative school or intermediate unit are also considered local revenue. Revenue from state sources includes grants, subsidies, contracts and entitlements received from the Commonwealth of Pennsylvania. This revenue includes basic instructional and operational subsidies, specific educational program subsidies, non-educational program subsidies, state reimbursements for school employee benefits, nonpublic program funding, vocational training for adults, and school milk, lunch and breakfast programs. Much of this revenue is based on weighted average daily student attendance, local wealth, and legislated distribution formulas. State revenues received from another local source, rather than directly from the Commonwealth, should be recorded to the 6820 account series.

Revenue from federal sources includes grants, subsidies, contracts and entitlements received either directly from the Federal Government offices or through the Commonwealth of Pennsylvania. This money is generally program specific with program reporting requirements attached to each program. In determining whether revenue is federal revenue, it is unimportant whether the funds are distributed directly to the LEA by the Federal government or through some intervening State agency. Federal revenue will have a Catalog of Federal Domestic Assistance (CFDA) number and could be received from the Federal government, State government, Local government or another public school. When an LEA does not have a method for determining the prorated share of federal, state and other sources of revenue in a commingled grant, the distributing agency should provide this information to each recipient. Federal revenues received through another local source, rather than direct from the Federal government or through the Commonwealth of Pennsylvania, should be recorded to the

appropriate 6830 account series. *For the purpose of the Intermediate Unit Reporting, IUs will report on revenues in excess of \$50,000 as defined in Section 907-A in the following Revenue Source Codes:*

- **6821 STATE REVENUE RECEIVED FROM RECEIVED FROM OTHER PA PUBLIC SCHOOLS**
State revenue received from a Pennsylvania school district, area vocational-technical school or an intermediate unit as an agent of the Commonwealth of PA. *For purposes of the Intermediate Unit Reporting, Revenue Source 6821 will only reflect State revenues from one Intermediate Unit to another Intermediate Unit.*
- **6831 FEDERAL REVENUE RECEIVED FROM OTHER PA PUBLIC SCHOOLS**
Federal revenue received as pass through funds from a Pennsylvania school district, area vocational-technical school or and intermediate unit. *For purposes of the Intermediate Unit Reporting, Revenue Source 6831 will only reflect Federal revenues from one Intermediate Unit to another Intermediate Unit.*
- **7000 series REVENUE FROM STATE SOURCES**
Revenue originating from Commonwealth of PA appropriations and directly disbursed to the recipient. (Revenues are not recorded to this account but to sub-accounts.) *For purposes of the Intermediate Unit Reporting, Revenue Sources 7810 - State Share Of Social Security And Medicare Taxes and 7820 – State Share Of Retirement Contributions will be excluded.*
- **8000 series REVENUE FROM FEDERAL SOURCES**
Revenue originating from the Federal government. (Revenues are not recorded to this account but to sub-accounts which are further defined in the PA Manual of Accounting and Financial Reporting.) *For purposes of the Intermediate Unit Reporting, Revenue Source 8000 will reflect Federal revenues passed through the Commonwealth ONLY.*

Expenditure Function (Use Required For State Reporting Purposes)

The Function describes the activities for which a service or material is acquired. The functions of an LEA are classified into five broad areas: 1) Instruction, 2) Support Services, 3) Operation of Non-instructional Services, 4) Facilities Acquisition, Construction and Improvement Services, and 5) Other Financing Uses. Functions consist of activities, which have somewhat the same general operational objectives. For example, the subfunctions (the first major subdivision of a function), of the function Support Services consist of such areas as transportation, pupil personnel services, administration, etc. The function for Instruction is broken down by program (e.g., regular, special, vocational, etc.). Construction of the functional coding structure beyond the subfunction classification is based on the principle that the classification of activities should be combinable, comparable, relatable and mutually exclusive. Most reporting to the Commonwealth of PA will be to the subfunction level (second digit of the four digit function code); however, there may be some reporting that will require using the third digit of the function code. Please see the PA Manual of Accounting and Financial Reporting for a full description of functions. *For the purpose of the Intermediate Unit Reporting, the Function description will be used to describe the program or services being provided.*

Expenditure Object (Use Required For State Reporting Purposes)

The Object Dimensions are taken from the PDE Manual of accounting and describe the service or commodity being purchased. *For the purpose of the Intermediate Unit Reporting, IUs will report on expenditures in the (1) Personnel Services-Salaries, (3) Purchased Professional and Technical Services; (5) 513 - Contracted Carriers; and (8) 899 – Other Objects - Pass-Through Funds.*