



2009/10 Annual Report Guidelines

For the period

April 1, 2009 to March 31, 2010

Version 5.4

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ABOUT THE 2009/10 ANNUAL REPORT TEMPLATE

Please read these guidelines before completing the templates.

The 2009/10 Annual Report template is in two parts:

- An Excel workbook with the file name “v5.4 Annual Report 2009-10 Excel Workbook” containing the financial statements and supporting schedules and;
- A Word document with the file name “v5.4 Annual Report Template” containing all the narrative with spaces to insert the financial statements and supporting schedules.

These guidelines apply to both parts of the template.

When you have completed both the Excel workbook and the Word document and prior to submission, please paste the financial statements and schedules from the Excel workbook into the Word document in the identified spaces provided as follows:

- Highlight the Table to be pasted in Excel
- Click Edit, Copy
- Open the Word document
- Position the cursor where you want to paste the Table
- Click Edit, Paste Special
- Select Picture (Windows Metafile)
- Click OK

Please ensure you paste the financial statements and schedules into the Annual Report Word document **in the order indicated**.

If you experience any problems pasting the financial statements and schedules from the Excel workbook into the Word document please contact the PCI Program Office immediately for assistance. Contact details are given below.

Submission Requirements for Annual Report

The following must be submitted to the PCI Program Office **by July 1st, 2010**:

1. PCNs are encouraged to complete and forward to PMO a draft Annual Report for review prior to having it signed by the PCN governing body. We can then work with you to correct any errors or omissions and ensure the signed report is ready to go to the next PCIC meeting for approval.
2. A signed electronic copy of the PCN's 2009-10 Annual Report with a fully signed copy of the Annual Report to follow by mail.
 - a. The signature sheet is in Section 3.1: Statement of Management's Responsibility.
 - b. The 2009-10 Annual Report to be submitted is the Word document with inserted Excel financial tables and schedules, and
3. An electronic copy of the 2009-10 Annual Report Excel Workbook.
4. Auditor's Report and Audited Financial Statements for the April 1, 2009 to March 31, 2010 fiscal year.

Further Assistance

Further details about financial reporting and accounting standards (PCI Policy Manual) for PCNs are provided on the PCI website (access the public section, then go to: Resources >Guide & Reference Manual > Reporting <http://www.albertapci.ca/RESOURCES/GUIDEANDREFERENCE/Pages/default.aspx>).

Please contact PCI Program Office if you have any questions or require clarification regarding the financial reports. Mourice Houlette, Financial Manager at mourice.houlette@albertapci.ca / (780) 970-6224 or Eva Nong, CGA at eva.nong@albertapci.ca / (780) 970-6207.

Please contact Judith Krajnak, PCI-PMO Evaluation Manager, at Judith.krajnak@albertapci.ca or (780) 970-6216 if you have questions or require clarification regarding presenting your evaluation results in the evaluation section of the template.

Excel Workbook Template

General Information

The financial statements and schedules have been revised in Excel spreadsheets to simplify their completion. Once completed, the tables in the Excel workbook are to be cut and pasted into the Word document where indicated.

When you open the Excel workbook you will notice that there are a number of colored cells:

- The blue cells contain formulas for totals or subtotals,
- The yellow cells are automatically populated from an entry in another table or schedule, and
- The grey cells are empty.

All the colored cells are protected. You can not enter any figures in them or change their content in any way. In addition you will be unable to add additional lines into the workbook and some of the wording is protected to try to ensure consistency of reporting. The purpose of this is to protect the integrity of the cell references, formulas and data.

If you encounter any problems because of these restrictions, please contact the PCI Program Office immediately. Contact details are on page 2.

When completing the Tables and Schedules:

- **Do not enter any commas or spaces in the numbers entered** as this could invalidate the formulas.
- **Do not cut and paste within the Excel Workbook** as this could invalidate the auto fills and formulas.

You will also see “double checks” at the bottom of Schedules 1, 2 and 3 and Tables 3 and 4. This highlights where figures in one table or schedule should match figures in another table or schedule and will assist you in completing the Tables and Schedules correctly. **Do not copy the “double checks” into the Word document.**

The Tables and Schedules contained in the Excel Workbook are not in standard accounting order and have been tabled in the order in which you need to complete them to gain maximum advantage of the auto fill function. They appear in the following order:

- Table 1 – Statement of Operations
- Schedule 1 – Schedule of Expenses by Object
- Schedule 2 – Schedule of Capital Assets
- Table 2 – Statement of Financial Position
- Table 3 – Statement of Changes in Net Assets
- Table 4 – Statement of Cash Flows
- Schedule 3 – Staffing Summary
- Schedule 4a – Variances between budget and actual Table 1 (Table completed automatically)
- Schedule 4b – Variances between budget and actual Schedule 1 (Table completed automatically)
- Schedule 4c – Extract from Table 2 to determine if Management Note required (Table completed automatically)
- Schedule 5 – Approved 2009/10 SRP expenditure included in Table 1.

The Tables and Schedules are pasted into the Word document in a different order than they appear in the Excel Workbook. Please ensure you paste the financial statements and schedules into the Word document **in the order indicated**.

Further details on the completion and content of each table and schedule follow.

Column Headings

The column headings found in the tables and schedules are as follows:

- 2009/10 Budget – Budgeted figures for the period April 1, 2009 to March 31, 2010.
 - The figures in the column should agree to the 2009/10 budget column in the 2009/10 Mid-Year Report.
- 2009/10 Actual – Audited Actual figures for the period April 1, 2009 to March 31, 2010.
- 2008/09 Actual – Audited Actual figures for the period April 1, 2008 to March 31, 2009.
 - This column may need to be restated (if PCN deferred per capital funding and interest & investment income in the 2008-09 fiscal year) to comply with PCIC's decision on revenue recognition (see page 6 revenue section).

Please note that it is a PCIC requirement that all PCNs operate and report according to the fiscal year commencing April 1 and ending March 31.

PCNs that were not in operation for the whole fiscal year from April 1, 2009 to March 31, 2010 are required to enter a note in Section 3.3 (j) Management Discussion and Analysis clarifying the number of months they were in operation.

Notes to clarify data recorded in any of the tables or schedules should be entered into the Word document Section 3.3, Management Discussion and Analysis.

Table 1: Statement of Operations

Flexibility for type of wording that can be entered in this table is available only for fields in brackets (i.e. other income and priority initiatives).

Guidance on how to reflect revenue and expenditure made in accordance with the approved Surplus Reduction Plan (SRP) is given on page 8.

Revenue

As of April 1, 2009:

- All PCNs are to use the deferral method of revenue recognition.
 - Capacity Building Grant, Specialist Linkages, and Pharmacist Pilot Grants are recognized as restricted revenue.
 - Per Capita Funding and Interest and Investment Income are recognized as unrestricted revenue.
 - Other Revenue may be recognized by the PCN as either “restricted” or “unrestricted” dependent on the purpose for which it was received. ***A note disclosing the basis of revenue recognition for “other revenue” must be provided under Section 3.3 (a) Management Discussion and Analysis.***
- **Per Capita Funding:** Per Capita Funding is recognized as unrestricted within the terms of the approved PCN Business Plan, addendums and amendments and is treated as revenue in the year receivable.
 - **Capacity Building Grant (CBG) Funding:** CBG Funding is recognized as restricted and treated as revenue in the year in which the related expenses are incurred.
 - **Specialist Linkages and Pharmacist Project Grants:** Revenue restricted for specific spending purposes is recognized as revenue in the year in which the related expenses are incurred. As payments for these grants are based on invoices submitted for expenses incurred, there is no need for deferral of revenue.
 - **Interest and Investment Income:** Interest and Investment Income is recognized as unrestricted revenue. If interest and investment income is shown in Table 1 but there are no investments in Table 2, please explain how the income was generated in Section 3.3 (a) Management Discussion.
 - **Amortization of Capital Contributions (ACC):** As a result of the changes to revenue recognition, there should only be an entry on this line if:
 - The PCN received Capacity Building Grant and
 - Capital assets were purchased from the “deferred” element of this CBG (i.e. purchased in accordance with an approved SRP from the “surplus” created as a result of deferring CBG). In such a case:
 - An amount equal to the purchase cost is transferred from “Deferred Revenue” to “Unamortized Capital Contributions” in Table 2, Statement of Financial Position.
 - As the capital asset is amortized, an amount equal to the amortization expense is transferred from “Unamortized Capital Contributions” in Table 2 to “Revenue – Amortization of Capital Contributions” in Table 1.
 - Unamortized capital contributions are therefore recognized as revenue in the periods in which the related amortization expense is recorded and are equal to that amortization expense.
 - **Other Revenue:**
 - List any other PCN revenue sources in an “Other Revenue” row. Specify the revenue source (for example, Fee for Service, Fundraising, and Sublet Revenue). Record the associated expense in the applicable expense line(s) in central allocations and provide any explanations in the management discussion section (a).
 - Do not include any Surplus Reduction Plan revenue as “Other Revenue”.
 - A PCN may recognize a source of “Other Revenue” as restricted for reporting purposes (e.g. federal grants dependant on the purpose for which the grant was given). A note disclosing that a source of “Other Revenue” has been recognized as restricted is to be provided in the management discussion section (a).
 - Fee For Service (FFS) billings taken into the PCN as revenue can not be netted against the associated physician services expenses at the priority initiative level. Disclose the financial figures for FFS revenue and associated physician services expenses, stating which revenue or expense line they appear on, in the management discussion section (a).

Expenses

Reported expenses for payment of employees (whether employed by the PCN or staff contracted from Alberta Health Services or another organization that the PCN pays) need to include wages, benefits and bonuses.

- **Priority Initiatives:**

- If costs are clearly associated with one particular priority initiative include those costs with that priority initiative. Specific medical expenses related to a priority initiative should be reported in the expenses for that priority initiative.
- Resources allocated to support the PCN as a whole in attaining overall goals are “central allocations.” Thus, education about lifestyle choices to reduce chronic disease in the PCN’s patient population would be part of a chronic disease priority initiative, but general education to the public about the range of programming available through the PCN would be a central allocation.
 - Centralized administrative Medical Director expenses (usually some portion of FTE) should be recorded under “Administration”.
- The breakdown by priority initiative should reflect the key strategies / priority initiatives outlined in your PCIC approved business plan and PCIC approved amendments.
- Reporting by PCIC approved priority initiative is a PCIC requirement.

- **Evaluation:**

- Provide information as indicated about resources devoted to evaluation. For example, evaluation staff / consultants and other expenses specifically related to evaluation.

- **PCN Administrative Lead:**

- The figure entered should represent the cost of the individual hired by AHS / Physician Joint Venture Partners to manage the business of the PCN whatever their title may be (e.g. Executive Director, Business Manager etc). Costs include wages, benefits and bonuses.
- This cannot exceed 1 full time equivalent (FTE).
- If the PCN Administrative Lead is funded by Alberta Health Services, please provide a management note in Section 3.3 (a).

- **Other Management:**

- Since some of the larger PCNs have employed managers to assist the PCN Administrative Lead with PCN operations, this field has been created to record such costs.
- Where other management expenses relate to specific priority initiatives, they should be recorded in those priority initiatives. If other management expenses (this does not include the PCN Admin. Lead) are attributed to the PCN as a whole they should be recorded as “Other Management”.
- “Other Management” may include clinical managers, general managers, operations managers and assistant managers.
- In the Staffing Summary (Schedule 3), all “Other Management” positions will be reported in the one line under “Admin. Staffing”.

- **Administration:**

- Administration expenses include:
 - corporate & general administration, fundraising expenses, centralized administrative medical expenses, (e.g. Physician meetings (NPC, PCN & AGM Governance), Medical Director expenses (usually some portion of FTE), financial and personnel services (financial management), human resources (including HR Manager), accountants, lawyers, office, rent, lease, utility expenses, catering, assistants/clerical, insurance, external financial audit, bank charges, travel, other items not identifiable to just one priority initiative and not listed in the explanation for other categories of expenditure within central allocations.
 - Excludes systems support for information systems.

- **Information Technology:**

- Information Technology expenses include: information systems, related to the provision of services to design, develop, implement and maintain effective management support facility systems in the area of data processing and systems engineering.
- Includes similar services procured on a purchased service basis.
- Includes IT manager

- **Support Services:**

- Support Services expenses include: Services that support health service delivery to patients, residents, clients and research (excluding administration, information technology).
 - Some specific examples are communication, education, research, materials management, housekeeping, patient health records, clinical support staff not clearly associated with one particular priority initiative etc.

- **Amortization Expense:**

- There is a policy requirement that PCNs record and amortize all capital assets (See Policy Manual 11.6 Capital Expenditure Policy for full instructions).
- Leasehold improvements to medical clinics not leased by the PCN (e.g. a leasehold improvement to a physicians' medical office space to accommodate the interdisciplinary members of the PCN team) is not a capital asset of the PCN and therefore must be expensed in the Statement of Operations.
 - This should be recorded under "Administration" table 1 and a note of explanation provided under Section 3.3 (a) Management Discussion and Analysis.

- **(Gains)/ Losses on Disposal of Capital Assets:**

- Enter the gain or loss on disposal of capital assets calculated as "Sale proceeds" less "Net Book Value of capital assets sold".

- **Miscellaneous Expenses:**

- Miscellaneous expenses should only include unallocated funds. Expectation is that there would only be a figure in the Budget column on this line as when expenses are incurred, actual expenditure would be shown under the specific category heading.
- **Do not include any costs budgeted for closing costs reserve** as these are reported in Table 3, Statement of Changes in Net Assets. (Closing costs would only be included in a Statement of Operations if the PCN was planning on closing during the fiscal year).

Surplus Reduction Expenditure be included in Table 1: Statement of Operations

- Expenditure(s) approved in the Surplus Reduction Plan (SRP) and made under existing priority initiatives should be shown under the relevant priority initiative.
- Expenditure(s) made under new priority initiatives approved in the SRP should be shown under priority initiatives and clearly marked "SRP - Name of the new initiative".
- Expenditure(s) approved in the SRP that does not come under a priority initiative heading and does not relate to capital assets but benefits the PCN overall (i.e. evaluation, IM/IT etc.) should be shown on the relevant line under "Expenses for Central Allocations".
- Capital asset expenditure(s) approved in the SRP should be included as an addition in the Schedule of Capital Assets (Schedule 2) with some exceptions (see amortization expense section above regarding leasehold improvements and PCI Policy Manual section 11.6).

PCNs are required to enter in Schedule 5 (the SRP Expenditure table) the specific amounts of approved 2009/10 SRP expenditures that have been included in Table 1: Statement of Operations.

Memo Items

- **"Memo: CBG Payments Received":**
 - Enter the actual amounts received in the Actual column. Do not include amounts receivable. The figures may not match the amounts included in the revenue section above.

Comments / Explanatory Notes on Table 1

- Enter any comments or explanatory notes related to Table 1 into the Word document Section 3.3 (a) Management Discussion and Analysis.

Schedule 1: Schedule of Expenses by Object

- There is no flexibility for type of wording.
- Reported for payment of employees need to include wages, benefits and bonuses. Whether employed by the PCN or contracted staff from Alberta Health Services that the PCN pays for.
- **Physicians Clinical:** are related to direct patient care and interaction with team members that is related to specific patients/families. Payments for minimum shift guarantees, availability stipends, after hours and other clinics are considered clinical.
- **Physicians Administrative:** are for governance, management and program development activity related to the PCN and the NPC. Medical directorships are considered to be administrative in nature.
- **Physicians Other:** are neither clinical nor administrative. Such payments would include education/training, cost recovery etc (see PCI Policy 11.4 for details).
- **Alberta Health Services (AHS):** These are payments to AHS for services provided by them. For example, purchased services of direct care providers employed by AHS, office space, small equipment etc.
- **Non-Physician Direct Care Providers (NPDCP):** are employees that provide direct clinical care to patients / families.
 - If individuals with health professional designations whose duties are split between direct patient care and administrative responsibilities is a known percentage or can be estimated, the costs should be allocated accordingly between the “NPDCP” and “Other Expenses” categories.
 - If administrative responsibilities are infrequent and can't be estimated then record the costs under “NPDCP” only.
 - Please note that an expectation would be that the cost of “NPDCP” would be similar to the cost of “Total Direct Care Provider Staffing” in Schedule 3: Staffing Summary.
 - If this is not the case, provide an explanatory note in Section 3.3 (e) Management Discussion & Analysis.
- **Miscellaneous expenses** in Schedule 1 are automatically filled from “Miscellaneous expenses” in Table 1.
- There is a “double check” at the bottom of Schedule 1 which shows the “Total Expenses” from Table 1. This needs to match the “Total Expenses” in Schedule 1. If it does not match, please check the figures entered in both tables.
- Enter any comments or explanatory notes related to Schedule 1 into the Word document Section 3.3 (e) Management Discussion and Analysis.

Schedule 2: Schedule of Capital Assets

- This is a schedule that assists PCNs to report changes in capital assets during the fiscal period in a consistent manner. It reflects the need for PCNs to keep an asset log of all assets or asset groups over \$5,000 and amortize these assets. See Policy Manual 11.6 Capital Expenditure Policy for more details.
- It feeds figures into a number of other tables including Tables 2, 3 and 4.
- There is no flexibility for type of wording.
- All figures in this schedule are actual for the period April 1 2009 to March 31, 2010.
- Capital assets are split into two categories:
 - **Leasehold Improvements:** These are the structural changes made to PCN leased space to make it more suitable for your business needs. For example, lighting changes, a reception area, offices and other special rooms or partitions might be needed as well as carpeting/ flooring.
 - Leasehold improvements to medical clinics not leased by the PCN (e.g. a leasehold improvement to a physicians' medical office space to accommodate the interdisciplinary members of the PCN team) is not a capital asset of the PCN and therefore must be expensed in the Statement of Operations. This should be recorded under “Administration” table 1 and a note of explanation provided under Section 3.3 (f) Management Discussion and Analysis.
 - **Other Capital Assets:** Fixed assets, other than those classified as Leasehold Improvements, which have an expected useful life of greater than one year. For example, office furniture or equipment and medical equipment.
- In the cost section, enter “Additions” as a positive amount and “Disposals” as negative amount
- In the amortization section, enter “Amortization for the Period” and “Amortization on Disposals” as negative amounts.
- There is a “double check” at the bottom of Schedule 2 which shows the 2009/10 Actual “Amortization” from Table 1. This should match the “Total Amortization for the period” in Schedule 2.

Enter any comments / explanatory notes related to Schedule 2 into the Word document Section 3.3 (f) Management Discussion and Analysis.

Table 2: Statement of Financial Position

Flexibility for type of wording that can be entered in this table is available only for fields in brackets.

An additional column heading has been included in Table 2 as follows:

- **Restated** (if applicable) 2008/09 Audited Actual at March 31, 2009
 - Amounts should agreed to the PCIC approved 2009/10 Mid-Year report.
- **Current asset – Cash:** Include cash only.
 - Short term investments like Guaranteed Investment Certificates (GICs) should be included on the line below.
- **Current asset - Investments** are short term investments (under 12 months) that can be cashed out very quickly.
- **Capital assets** in the “2009/10 Actual” and “Restated 2008/09 Actual” columns of Table 2 are automatically filled from Schedule 2.
- **Liabilities** must be shown as either current (due within 12 months) or non- current.
- **Deferred Revenue:**
 - As a result of the changes to revenue recognition (see page 6 revenue section), there should only be an entry on this line if:
 - The PCN has deferred Capacity Building Grant
 - The PCN has “Other Revenue” that is treated as restricted

Schedule 4c will prompt you to provide an explanatory note (if there are any amounts entered in deferred revenue) in Section 3.3 (b) Management Discussion and Analysis.

- **Unamortized Capital Contributions:**
 - As a result of the changes to revenue recognition, there should only be an entry on this line if:
 - The PCN received Capacity Building Grant and
 - Capital assets were purchased from the “deferred” element of this CBG (i.e. purchased in accordance with an approved SRP from the “surplus” created as a result of deferring CBG). In such a case:
 - An amount equal to the purchase cost is transferred from “Deferred Revenue” to “Unamortized Capital Contributions”.
 - Unamortized capital contributions are recognized as revenue in the periods in which the related amortization expense is recorded and are equal to that amortization expense.

Schedule 4c will prompt you to provide details (if there are any amounts entered in unamortized capital contributions) in Section 3.3 (b) Management Discussion and Analysis

- **Closing Costs Reserve (CCR)**
 - **Closing Costs Reserve is no longer shown in Table 2. It now appears in Table 3: Statement of Changes in Net Assets**

Enter any comments / explanatory notes related to Table 2 into the Word document Section 3.3 (b) Management Discussion and Analysis.

Table 3: Statement of Changes in Net Assets

- This table shows how “Net Assets” in Table 2 have increased or decreased in the fiscal period.
- This movement in “Net Assets” is split between:
 - Increase/decreases in “Capital Assets” (shown in the “Investments in Capital Assets from Internally Funded Sources (ICAIFS)” column).
 - Increases/decreases in Closing Costs Reserve (shown in the “Restricted for Closing Costs Reserve” column)
 - Closing Costs Reserve (CCR) includes the estimated severance, leasehold and lease obligation costs due to wind-up of the PCN. Part or the entire business plan budgeted contingency may be CCR depending on how the contingency was calculated. For example, contingency (from the business plan budget) may have consisted of a budget for severances, leasehold obligations, and unallocated money for unforeseen expenses. Only Closing Costs Reserve should be reported on Table 3. (Unallocated money for unforeseen expenses would be reported as “Miscellaneous Expenses” in Table 1).
 - Schedule 4d will **prompt you to provide details** (if there are **no amount entered** in closing cost reserve) in Section 3.3 (h) Management Discussion and Analysis
 - Other increases/decreases (shown in the “Accumulated Surplus/(Deficit)” column).
- Flexibility in wording that can be entered in this table is available only for fields in brackets (i.e. Other adjustments line).
- Most of the figures in this Table are directly fed from previous tables as follows:
 - Balance at April 1, 2009 pre-entered from data in Table 2
 - Excess/ (deficiency) of revenue over expenses pre-entered from data in Table 1
 - Capital assets purchased with internal funds pre-entered from data in Schedule 2
 - Amortization of internally funded capital assets pre-entered from data in Table 1
 - (Gains)/Losses on disposal of internally funded capital assets pre-entered from data on Table 1
- The following entries must be input:
 - “Increase/ decrease in Closing Costs Reserve”. An increase should be entered as a positive figure in the “Restricted for Closing Costs Reserve” column and a decrease as a negative figure. An increase or decrease can occur as a result of employee hires/terminations, salary increases, or new/expired leases.
 - “Other adjustments” for example the net book value of capital assets sold.
- There is a “double check” at the bottom of Table 3 which shows 2009/10 Actual figures for “Net Assets” and “Capital Assets” from Table 2. These figures should match Table 3 as follows:
 - Table 2 - 2009/10 Actual “Capital Assets” should match Table 3 ICAIFS column “Balance at March 31, 2010.
 - Table 2 - 2009/10 Actual “Net Assets” should match Table 3 Total column “Balance at March 31, 2010.
- Enter any comments / explanatory notes related to Table 3 into the Word document Section 3.3 (c.) Management Discussion and Analysis.

Table 4: Statement of Cash Flows

- This table reports the incoming and outgoing cash during the fiscal period and shows how the PCN's liquid assets (cash and investments) have increased or decreased over the period. E.g. the figures in the “2009/10 Actual” column show the increase/decreases in the PCN's liquid assets between April 1, 2009 and March 31, 2010.
- There is no flexibility for type of wording.
- Most of the figures in the 2009/10 Actual column in Table 4 are directly fed from either Schedule 2 or Tables 1 and 2.
- We have tried to indicate by the use of brackets in the wording, which figures are negative and which are positive. For example, an increase in accounts receivable is a negative figure (the PCN is not receiving cash) whereas an increase in accounts payable is a positive figure (the PCN is holding cash instead of paying suppliers).
- There is a “double check” at the bottom of Table 4 which shows the total of “Current Asset - Cash” plus “Current Asset – Investment” from Table 2. This should match the figures for “Cash and investments at end of period” in Table 4.
- Enter any comments / explanatory notes related to Table 4 into the Word document Section 3.3 (d) Management Discussion and Analysis.

Schedule 3: Staffing Summary

- Flexibility for type of wording that can be entered in this schedule is available only for fields in brackets (i.e. under Direct Care Provider Staffing, Clinical Support Staffing and Support Staffing).
- This schedule shows the following information:
 - **Geographic area served**
 - **# of Clinics participating in the PCN**
 - **# of individual Core Provider Physicians participating in the PCN** (Not FTEs)
 - **# of Enrollees** (Use October 2009 Semi-Annual Payment Report)
 - **Total PCN staffing by FTE** (2009/10 Budget at March 31, 2010, 2009/10 Actual at March 31, 2010 and 2008/09 Actual at March 31, 2009). 1.00 FTE is estimated as providing service of approximately 2,000 hours/year.
 - **Total PCN staff costs:**
 - Cost details are required by staffing position for:
 - **2009/10 Budget** for the 2009/10 fiscal year
 - **2009/10 Actual** for the entire 2009/10 fiscal year
 - **2008/09 Actual** for the entire 2008/09 fiscal year.
 - Cost includes wages, benefits and bonuses.
- The FTEs that are required to be recorded in this section are:
 - Staff directly employed by the PCN,
 - Staff indirectly employed by the PCN for example seconded staff (i.e. AHS) paid for or reimbursed by the PCN.
 - Any FTEs or costs for **staff provided “in kind” are not to be included in this schedule** as no PCN dollars are being used to reimburse them. **For completeness, please provide FTE details of staff provided “in kind” in Section 3.3 (g) Management Discussion and Analysis.**
 - When consultant services (e.g. accounting, legal etc.) do not reflect regular employment but episodic consultation on an as needed basis, these costs will not appear as staffing in the staffing summary. These costs should be included in the table 1 Statement of Operations under “Administration”.
- FTEs are to be recorded as follows:
 - **Direct care providers:**
 - Are to be reported by professional discipline in order to obtain comparable information that will be valuable to determine the success of provincial objective #5.
 - **Direct care providers are only those employees that provide direct clinical care to patients / families.** This may include professional staff performing case management or patient navigator nurse roles.
 - Mental Health Therapists are to be reported by professional designation. In situations where the provider does not hold a professional designation, record in direct care provider area under “specify provider type” identifying the title used.
 - **Clinical Support Staffing:**
 - Medical Office Assistants are to be recorded under the “Clinical Support Staffing” section.
 - Referral Coordinators are to be recognized under “Clinical Support Staffing” section. Referral Coordinators are clerical in nature and do not include professional staff performing case management or patient navigator nurse roles.
 - **Administrative Staffing:**
 - The PCN Administrative Lead is the one individual hired to oversee PCN operations. This person may be known by a variety of titles such as Executive Director, Business Manager or General Manager. This FTE allocation cannot exceed one FTE. If the PCN Administrative Lead is funded by Alberta Health Services, please provide a management note in Section 3.3 (g).
 - All “Other Management” positions are to be reported in the one line under “Admin. Staffing” This may include clinical managers, general managers, operations managers and assistant managers.
 - HR Managers are to be included in the “Admin. Staffing” “Human Resources” row not “Other Management”.
 - Financial directors and managers are to be included in the “Admin. Staffing” “Finance” row and not “Other Management”.
 - **Support Staffing:**
 - IT Managers and Staff are to be included in “Support Staffing” “Information Technology” row not “Other Management”.
- There are two “double checks” at the bottom of Schedule 3 as follows:
 - The figures for “**PCN Administrative Lead**” from Table 1 which should match Schedule 3 cost of “PCN Administrative Lead”.
 - The figures for the “**Non-Physician Direct Care Providers**” from schedule 1 are expected to be similar to the “**Total Direct Care Providers**” in Schedule 3. A variance line is also included which will indicate in the line below whether or not a management note is required in section 3.3 (g).
- Enter any comments / explanatory notes related to Schedule 3 into the Word document Section 3.3 (g) Management Discussion and Analysis.

Schedule 4a: Variances between Budget and Actual Table 1 and Schedule 4b: Variances between Budget and Actual Schedule 1

- These schedules are filled automatically from the data entered into Table 1 and Schedule 1.
- They compare 2009/10 Budget to 2009/10 Actual line by line and are designed to highlight items that should have a comment or explanatory note in the Word document Section 3.3 (h) Management Discussion and Analysis (See below).
- Each variance is reported in both % and \$ terms.
- Please provide further information in the Word document Section 3.3 (h) for each variance that is:
 - **Greater than (+/-) \$100,000.**
 - **All variances (+/-) 30% must be explained:**
 - **If the variance is less than (+/-) \$100,000 but greater than +/- \$10,000.**
 - **A “Yes” will be indicated by the variance for all variances that require an explanation.**
- Variances on a number of lines may be interlinked.
 - For example, an increase in one of the revenue lines may result in a similar increase in an expenditure line. In such cases it would be sufficient to give one management note and detail the lines to which the note relates.

Schedule 4c: Extract from Table 2

- This schedule is filled automatically from the data entered into Table 2.
- It highlights if **there are entries** on the “**Deferred revenue**” and/or “**Unamortized Capital Contributions**” lines in Table 2 and if a management note 3.3 (h) is **required**.

Schedule 4d: Extract from Table 3

- This schedule is filled automatically from the data entered into Table 3.
- It highlights if there is a “closing cost reserve” in Table 3 and if a management note is required.
- If there **is no closing cost reserve** set aside at March 31, 2010 please **provide an explanation** in section 3.3 (h) Management Discussion and Analysis.

Schedule 5: Approved 2009/10 Surplus Reduction Plan (SRP) Expenditures (if applicable)

- This table details the approved 2009/10 SRP expenditures.
- The 2009-10 budget column should agree to the 2009-10 budget column in the 2009-10 Mid-Year Report.
- Once complete, the table is pasted into the Word Document.

Word Document Template

Section 1: Period Overview

This section should be **no more** than **5 pages in length** and bullet form is acceptable. Charts and graphs may be submitted through a supplemental document.

New! Provide a status report on each priority initiative and/or activity approved in the business plan, surplus reduction plan and/or amended business plan in the tables provided in the Word document template. PCNs are required to complete one table for each of their approved initiatives and/or restricted grant & central allocation activities. If additional tables are required, simply select the whole table and copy and paste or contact the PCI PMO for help.

When completing the tables (only report for this period April 1, 2009 to March 31, 2010):

- In the “Element” or “Activities” column only approved “elements” and/or “central allocation activities” from the business plan, surplus reduction plan and/or amended business plan will be reported.
- In the Planned Achievement column the PCN will report what the targeted outcome of the “element” and/or “central allocation activity” was.
- In the Status column please report the status of the element and/or the activity using one of the following terms: “Completed”, “On-going”, “On Target”, “Delayed”, “Deferred” or “Discontinued”
- In the Outcomes or explanation for delays column explain outcome attained and if the status is delayed, deferred or discontinued please explain why. E.g. The factors (challenges, risks, inability to hire staff etc.) that contributed towards decisions to change operational plans.
- If the PCN has received payments for Capacity Building Grant, Specialist Linkages, and/or Pharmacy Project, describe the use of the funds, specifically addressing how these funds have aided the attainment of network objectives during this reporting period in the table called “Restricted Grants & Central Allocation of Key Activities”.

Section 2: Evaluation

In order, to track progress toward the achievement of the key objectives of the Primary Care Initiative province-wide, each PCN is requested to answer specific evaluation questions related to each of the five provincial objectives.

Responses to the evaluation questions are designed so that you are reporting on achievements that occurred within the fiscal period April 1, 2009 to March 31, 2010. However, if you wish to also report on ongoing activities related to achievements initiated in prior periods, you may do so provided it is under a bolded heading of “Ongoing”.

PCNs who are taking part in the AIM initiative may wish to record this under evaluation question 2.2.

Section 3: Financial Reporting

The Financial Reporting section is in 3 parts:

- Section 3.1 Statement of management’s responsibility for financial reporting
- Section 3.2 Financial statements, schedules and notes
- Section 3.3 Management discussion and analysis

Further details on the contents of each section are below.

Section 3.1 Statement of Management’s Responsibility for Financial Reporting

This statement highlights management’s responsibilities with regard to financial governance.

By signing the statement, the PCN’s authorized leads (management) are confirming that there are adequate systems of internal accounting control in place and that this provides them with reasonable assurance that transactions are in accordance with governing legislation and are properly authorized, reliable financial records are maintained and assets are adequately safeguarded.

The statement should be signed by **all** of the following **authorized** leads:

- PCN Administrative Lead
- Physician Lead
- Local AHS Lead
- Senior AHS Authorizer (If required)

Section 3.2 Financial Statements, Schedules and Notes

The financial statements and schedules are prepared in the Excel workbook. See the Excel workbook guidelines above for details on the contents of the Tables and Schedules.

Once complete, cut and paste Tables 1, 2, 3 and 4 and Schedules 1, 2, 3, 4 and 5 into this section where indicated.

Please note that the Tables and Schedules are pasted into the Word document in a different order than they appear in the Excel Workbook

- Highlight the Table to be pasted in Excel
- Click Edit, Copy
- Open the Word document
- Position the cursor where you want to paste the Table
- Click Edit, Paste Special
- Select Picture (Windows Metafile)
- Click OK

Any comments / explanatory notes related to the tables or schedules should be entered into Section 3.3, Management Discussion and Analysis.

Notes to the Financial Statements

At the end of this section there are four draft Notes to the Financial Statements. Please amend / complete the notes to reflect the position at your PCN with the exception of the note regarding “Revenue Received from Alberta Health and Wellness. **This one note must be incorporated into your Annual Report as stated.** When amending / completing the remaining notes, you may find it helpful to use the wording contained in the notes to your 2009/10 audited financial statements.

We require these four notes as a minimum but you can add additional notes if you wish.

Section 3.3 Management Discussion and Analysis

- 3.3a) to 3.3i) – Comments / explanatory notes related to Tables 1 to 4 and Schedules 1 to 5 should be entered here.
 - If there is no comment or explanatory note needed, please enter “No further comments”.
 - **PCNs are required to enter management notes** under Section 3.3a) that specify the total amount of approved 2009/10 SRP expenditures that have been included in Table 1: Statement of Operations.
 - The format must follow the illustrative example contained on the “SRP Expenditure” page of the Excel Workbook.
- 3.3j) Other comments and explanations – Please enter any comments or explanations that do not fall under 3.3a) to 3.3i) above.
 - If there is no comment or explanatory note needed, please enter “No further comments”.

PCI Program Office staff are available to support you through these changes in reporting requirements. If after you have reviewed the instructions provided in these guidelines you are not certain how to proceed, do not hesitate to contact Mourice Houlette, Financial Manager at mourice.houlette@albertapci.ca / (780) 970-6224 or Eva Nong, CGA at eva.nong@albertapci.ca / (780) 970-6207.

Please contact Judith Krajnak, PCI-PMO Evaluation Manager, at Judith.krajnak@albertapci.ca or (780) 970-6216 if you have questions or require clarification regarding presenting your evaluation results in the evaluation section of the template.