

TECB POLICIES

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POLICY NO. 01

PROCEDURES FOR HANDLING PROPRIETARY INFORMATION

PURPOSE: The Emergency Communications Board finds that it is necessary to set forth procedures that shall be followed when information is submitted to the Board in conformity with Rule 0780-6-1-.03, "Submission of Proprietary Information."

POLICY:

1. Documents, envelopes and/or packages received by the Board office that are marked "CONFIDENTIAL" shall only be opened and/or reviewed by the Board's Executive Director or other individuals designated by the Director. All such individuals shall be in conformity with Rule 0780-6-1-.04 (Access to Proprietary Information).
2. Proprietary information that is received by the Board office in envelopes and/or packaging that has previously been opened shall be immediately brought to the attention of the Executive Director or the Director's designee(s). As soon as possible thereafter, the delivering entity and the sender shall be notified in writing of the condition of the envelope or packaging as it existed when received by the Board office.
3. Proprietary information that is received by the Board office in envelopes and/or packaging that is not marked "CONFIDENTIAL" and that is subsequently opened by a Board staff member other than the Executive Director or the Director's designee, shall be immediately brought to the attention of the Executive Director or the Director's designee(s).
4. The Board's Executive Director or the Director's designee(s) shall review the information and determine if it qualifies as proprietary information under the Board's rules.
5. Information that is deemed proprietary shall be secured and stored in accordance with rule 0780-6-1-.05.

Effective: August 5, 2015.

Supersedes: Policy No. 4 (Adopted 8-22-00).

POLICY NO. 02

DESIGNATIONS REGARDING THE MEDIA

PURPOSE: The Emergency Communications Board finds that it is necessary to designate representatives who are authorized to speak to the media on behalf of the Board and to make statements to other individuals and organizations regarding established Board policies, standards, rules, and decisions.

POLICY:

The Board hereby designates the Board Chair and the Board's Executive Director as authorized representatives to speak to the media regarding Board matters. No other individual shall speak on behalf of the Board without first obtaining approval from the Board, which approval must be properly voted upon on the record at a full Board meeting. Nothing contained herein shall prohibit the Board's staff attorney or General Counsel from making any statements regarding legal matters affecting the Board. All media inquiries shall be handled in accordance with applicable media relations policies adopted by the Department of Commerce & Insurance.

Effective: August 5, 2015.

Supersedes: Policy No. 5 (Adopted 06-29-00).

POLICY NO. 03

DIRECT DEPOSIT POLICY

PURPOSE: The following policy encourages telecommunication service suppliers to remit 911 surcharges to the Board via direct deposit to allow for the more efficient processing of 911 surcharges by the Board.

POLICY:

The Tennessee Emergency Communications Board encourages all dealers of telecommunications services required to remit 911 surcharges to the board under Tenn. Code Ann. § 7-86-128, or as otherwise provided by law, to do so via direct deposit.

Effective: August 5, 2015.

Supersedes: Policy No. 12 (Adopted 06-29-00).

POLICY NO. 04

DISTRICT ANNUAL BUDGETS

PURPOSE: The following policy ensures the Board will timely receive annual budgets from local emergency communications districts in accordance with Tenn. Code Ann. § 7-86-304(c).

POLICY:

- A.** Emergency Communications District annual budgets shall be filed with the Tennessee Emergency Communications Board no later than forty-five (45) days after July 1st of each year.
- B.** If a district fails to file a budget within forty-five (45) days of July 1st, the board will distribute notification letters to district board members, and the district director, regarding the district's failure to submit an annual budget.
- C.** Failure to submit an annual budget within thirty (30) days after receipt of the notification letter set forth above will require the district director and chairman to appear at the November meeting of the board to explain the district's failure to submit a budget, provided that the annual budget has not been submitted prior to that meeting.

Effective: August 5, 2015.

Supersedes: Policy No. 13 (Adopted 9-12-02); Policy No. 17 (Adopted 1-15-04).

POLICY NO. 05

DISTRICT CONTACT INFORMATION

PURPOSE: The following policy requires local emergency communications districts to provide the Board with updated board member and PSAP information and sets forth procedures for providing contact information requested under the Kelsey Smith Act.

POLICY:

I. BOARD CONTACT INFORMATION

- A. Each emergency communications district shall annually provide to the Tennessee Emergency Communications Board the name, address, telephone number and email address, if any, of each current board member in such emergency communications district.
- B. Any vacancies and/or any change in the membership on a local board shall be reported to the board within ten (10) days after the vacancy arises, ten (10) days after confirmation of a new member, or the effective date of a change in board membership if the member is appointed without confirmation.

II. PSAP INFORMATION AND EMERGENCY INFORMATION REQUEST PROCEDURES

- A. Each district shall provide the board with PSAP information lists for all PSAPs within their service area together with the following information for each PSAP:
 - 1. Name of Supervisor/Director;
 - 2. Call-back number; and
 - 3. Address.

- B. The District's Director or the PSAP's supervisor shall serve as the contact for CMRS providers in the event that PSAP personnel fail to follow proper procedures in obtaining customer information as outlined below.
- C. Where a PSAP, district, or emergency services provider requires customer information in an emergency situation, the person calling shall:
 - 1. Call the provider's dedicated emergency number provided pursuant to the "Kelsey Smith Act," Tenn. Code Ann. § 38-1-602;
 - 2. Identify themselves and their PSAP by name and county, and give their operator name and number;
 - 3. Identify the emergency; and
 - 4. Specify the information required.

Effective: August 5, 2015.

Supersedes: Policy No. 15 (Adopted 01-15-04).

POLICY NO. 6

FINANCIALLY DISTRESSED DISTRICTS

PURPOSE: Pursuant to Tenn. Code Ann. § 7-86-304(d), financially distressed districts are subject to the supervision and evaluation by the Tennessee Emergency Communications Board (Board). The following policy sets forth procedures and guidelines to restore financial stability of financially distressed emergency communications districts.

POLICY:

Board staff shall provide a report of financial health status of emergency communications districts (“ECDs”) to the Board at regularly scheduled meetings and make periodic visits and/or otherwise assist ECDs in efforts to improve financial health.

I. NOTICE OF FINANCIAL INSTABILITY

Each ECD shall provide written notice to the Board within ten (10) days of becoming aware of any of the following events:

1. Predicting or operating under a deficit total net position;
2. Default on any indebtedness due to insufficient funds;
3. Being the subject of a lien filed by the internal revenue service; or
4. Having a negative change in net position for three (3) consecutive years.

II. “FINANCIALLY DISTRESSED” DISTRICTS DEFINED

A “financially distressed emergency communications district” is a district that, as shown by annual audits:

1. Has a negative change in net position for a period of three (3) consecutive years;
or
2. Has a deficit in total net position; or
3. Is in default on any indebtedness.

Additionally, the Board may determine a district is a “financially distressed emergency communications district” if:

1. The ECD is the subject of a lien filed by the internal revenue service;
2. The Board determines that it appears that the ECD cannot satisfy its financial obligations to the extent that the continued operation of the ECD is at risk; or
3. The ECD defaulted on any indebtedness due to insufficient funds, such default is not cured within sixty (60) days, and, upon determination of the Board, it appears that the ECD cannot satisfy its financial obligations to the extent that the continued operation of the ECD is at risk.

III. BOARD EVALUATION OF FINANCIALLY DISTRESSED DISTRICTS

Board staff shall prepare an analysis of the financial statements and operations of a financially distressed ECD and present its findings, evaluation, and recommendations at an open meeting of the Board. The ECD board chairman and director of the financially distressed ECD are encouraged to attend this meeting and to respond to questions from the Board regarding the ECD's financial status.

Tenn. Code Ann. § 7-86-305 provides that as a means to restore financial stability to financially distressed ECDs and to ensure continued 911 service for the benefit of the public, the Board may study the possible consolidation or merger of two (2) or more adjacent ECDs, if at least one (1) such ECD is financially distressed. A merger or consolidation affecting a non-financially distressed ECD shall not occur without the prior approval of the board of directors of the non-financially distressed ECD. In the event that the Board determines that such a consolidation or merger is in the best interest of the public, and after holding public hearings within the service areas of the affected ECDs, the Board may order the consolidation or merger, provided that such action shall not threaten the financial integrity or stability of the affected ECDs, or the level and quality of 911 service.

If the Board in its evaluation concludes that the ECD cannot satisfy its financial obligations to the extent that the continued operation of the ECD is at risk, the Board may elect to confirm the financially distressed designation. In determining whether an ECD will be confirmed as a financially distressed ECD, the Board shall not consider the ECD's depreciation costs as an operating expense. Factors the Board may consider include, but are not limited to, the following:

1. Cash and reserve balances in relation to operating budgets.
2. Amount of the negative changes in net position in relation to revenues.
3. Recurring or non-recurring nature of expenditures causing negative changes.

If the Board concludes after evaluation that the ECD is not financially distressed, the provisions for ECDs with a negative change in annual net position described in Section V of this policy shall be followed.

IV. BOARD SUPERVISION OF FINANCIALLY DISTRESSED DISTRICTS

Financially distressed ECDs shall be subject to the following guidelines until the ECD demonstrates a positive change in net position, without considering depreciation as an operating cost, on audited financial statements for two (2) consecutive years.

1. A balanced budget must be adopted or an unbalanced budget shall be explained to the Board. A balanced budget is one in which operating expenditures include depreciation and expenditures do not exceed revenues. A copy of any proposed budget shall be provided to the Board at least ten (10) days prior to any ECD board meeting in which the ECD budget or any amendment to the budget is on the agenda to be discussed or approved.

2. Line item expenditures authorized by the budget shall not be exceeded. Any projected debt or anticipated expenditure with a cost in excess of five thousand dollars (\$5,000), or which increases budgeted payroll costs over one thousand dollars (\$1,000), must be requested and approved by the Board. This applies to purchases and expenditures involving partial payments of less than five thousand dollars (\$5,000), provided the payment totals more than five thousand dollars (\$5,000) over time. Subject to the provisions of Tenn. Code Ann. § 7-86-306, the Board executive director is authorized to approve or deny such requests. If such a request is denied by the Board executive director, the ECD may appeal the decision to the Board at a regularly scheduled meeting.
3. The board of directors of a financially distressed ECD shall meet at least bi-monthly (six times per year) in order to review and consider financial statements, operations, and efforts to end distressed status. Copies of all ECD board of directors meeting minutes and financial reports required under Tenn. Code Ann. § 7-86-123 shall be provided to the Board. Minutes shall be filed with the Board no later than seven (7) days after approval; financial reports shall be filed no later than seven (7) days after each ECD meeting.
4. All ECD board meetings and hearings to be held by the ECD board of directors shall be notified in writing to Board staff no less than ten (10) days in advance of such meeting or hearing. Reasonable notice of emergency meetings shall be provided to the Board.
5. ECD boards of directors and staff shall work with Board staff to accomplish a state of sound financial health.

V. DISTRICTS WITH NEGATIVE CHANGE IN NET POSITION

ECDs with a negative change in net position for one or more consecutive fiscal years, with such change being greater than the depreciation expenses recorded for the corresponding fiscal year, shall be offered assistance and guidance by Board staff and must comply with the following:

1. An ECD with one year of negative change greater than recorded depreciation expense, and not confirmed by the Board as financially distressed, shall:
 - a. Be notified by Board staff in writing to the ECD director and ECD board chair regarding the existence of the negative change in net position and offered assistance and guidance by Board staff.
 - b. Work with Board staff to try to improve the ECD's financial health.
2. An ECD with two or more consecutive years of negative changes greater than recorded depreciation expense, and not confirmed as financially distressed, shall:

- a. Be notified by Board staff in writing to the ECD director and ECD board chair regarding the existence of the two or more consecutive years of negative change in net position and offered assistance and guidance by Board staff.
- b. Adopt a balanced budget or explain to the Board an unbalanced budget. A balanced budget is one in which operating expenditures include depreciation and expenditures do not exceed revenues.
- c. Provide copies of all ECD board of directors meeting minutes and financial reports required under Tenn. Code Ann. § 7-86-123 to the Board. Minutes shall be filed with the Board no later than seven (7) days after approval; financial reports shall be filed no later than seven (7) days after each ECD meeting.
- d. Work with Board staff to try to improve the ECD's financial health.

Effective: May 3, 2017.

Supersedes: Policy No. 16 (Adopted 01-15-04), Policy No. 6 (Effective August 5, 2015), and Policy 9 (Effective November 2, 2016).

POLICY NO. 07

BOARD ETHICS POLICY

PURPOSE: The following policy establishes a standard code of ethics for members of the board, as required by the Comprehensive Ethics Reform Act, Tenn. Code Ann. § 8-17-101 *et seq.*

POLICY:

1. Application:

This Policy applies to all members of the Tennessee Emergency Communications Board.

2. Board member responsibilities:

Each board member shall avoid any action, whether or not specifically prohibited by statute, regulation, or policy, which might result in or create the appearance of:

- i. Using public office for private gain;
- ii. Giving preferential treatment to any person;
- iii. Impeding government efficiency or economy;
- iv. Losing complete independence or impartiality;
- v. Making a government decision outside of official channels; or
- vi. Affecting adversely the confidence of the public in the integrity of the Emergency Communications Board.

3. Gifts:

No board member shall solicit or accept, directly or indirectly, on behalf of himself or herself or any member of the board member's household, any gift, including but not limited to any gratuity, service, favor, food, entertainment, lodging, transportation, loan, loan guarantee or any other thing of monetary value, from any person or entity that:

- i. Has, or is seeking to obtain, contractual or other business or financial relations with the Emergency Communications Board or any other entity in which the board member is employed; or
- ii. Conducts operations or activities that are regulated by the Emergency Communications Board or any other entity in which the board member is employed; or
- iii. Has interests that may be substantially affected by the performance or nonperformance of the board member's official duties.

4. Exceptions:

The prohibition on accepting gifts in paragraph 3 does not apply to:

- i. A gift given by a member of the board member's immediate family, or by an individual if the gift is given for a nonbusiness purpose and is motivated by a close personal friendship and not by the position of the board member. In determining whether a gift falls within this subsection, the factors contained in Tenn. Code Ann. Section 3-6-114(b) (3) (A) and (B) shall apply.
 - ii. Informational materials in the form of books, articles periodicals, other written materials, audiotapes, videotapes, or other forms of communication;
 - iii. Sample merchandise, promotional items, and appreciation tokens; provided they are routinely given to customers, suppliers or potential customers in the ordinary course of business;
 - iv. Unsolicited tokens or awards of appreciation, honorary degrees, or bona fide awards in recognition of public service in the form of a plaque, trophy, desk item, wall memento and similar items; provided that any such item shall not be in a form which can be readily converted to cash;
 - v. Food, refreshments, foodstuffs, entertainment, or beverages provided as part of a meal or other event, if the value of such items does not exceed fifty dollars (\$50.00) per occasion; provided that the value of a gift made pursuant to this subsection may not be reduced below the monetary limit by dividing the cost of the gift among two or more persons or entities identified in paragraph 3;
 - vi. There may be circumstances where refusal or reimbursement of a gift (such as a lunch or dinner) may be awkward and contrary to the larger interests of the State. In such circumstances, the board member is to use his or her best judgment, and provide to the other board members a written disclosure of the gift, including a description, estimated value, the identity of the person or entity providing the gift, and any explanation necessary within fourteen (14) days;
 - vii. Food, refreshments, meals, foodstuffs, entertainment, beverages or intrastate travel expenses that are provided in connection with an event where the board member is a speaker or part of a panel discussion at a scheduled meeting of an established or recognized membership organization which has regular meetings; and
 - viii. Loans from established financial institutions made in the ordinary course of business on usual and customary terms, so long as there are no guarantees or collateral provided by any person described in paragraph 3.
5. Financial Interests.
- i. With the exception of the salary of the board member appointed pursuant to Tenn. Code Ann. § 7-86-302, if such board member is a state employee, no board member shall enter into or derive any benefit, directly or indirectly, from any contractual arrangement with the State or any of its agencies with regard to matters related to E911 or emergency communications. In recognition of the fact that many husbands and wives have separate careers, the normal employment compensation of a spouse whose regular, ongoing

employer or business has a “benefit” to the board member, provided the contract with the State was procured without any participation, assistance or influence by the board member.

- ii. No board member shall have a direct or indirect financial interest that conflicts substantially, or appears to conflict substantially, with his or her board-related duties or responsibilities. “Indirect financial interest” in this case includes a substantial interest on the part of a parent, spouse, or minor child of the board member. This subsection shall not apply to interests that have been placed into a “blind trust” arrangement pursuant to which the board member does not have knowledge of the retention or disposition of such interests. This subsection also shall not apply to ownership of publicly traded stocks or bonds where such ownership constitutes less than two percent (2%) of the total outstanding amount of the stocks or bonds of the issuing entity. If, at the time the board member begins his or her term on the board or at any subsequent time while serving on the Board, the board member possesses such direct or indirect financial interests prohibited by subsections (i) or (ii), the board member shall divest such interest within a reasonable time.

6. Use of Information:

No board member shall, directly or indirectly:

- i. Use, disclose, or allow the use of official information which was obtained through or in connection with his or her membership on the Emergency Communications Board and which has not been made available to the general public for the purpose of furthering the private interest or personal profit of any person, including the board member; or
- ii. Engage in a financial transaction as a result of, or primarily relying upon, information obtained through his or her membership on the Emergency Communications Board.

7. Use of government property:

No board member shall make use of the facilities, equipment, personnel or supplies of the State or its agencies for private use or gain, except to the extent that the use is incidental or *de minimus* or is lawfully available to the general public.

8. Ex Parte Communications in pending proceedings pursuant to Tenn. Code Ann. § 7-86-312.

- i. Upon receipt by the Board of a resolution from a city or county governing body requesting the Board to review a decision of the board of directors of the emergency communications district serving such city or county pursuant to Tenn. Code Ann. § 7-86-312, Board members may not communicate, directly or indirectly, regarding any issue related to the decision under review, while the request for review is pending, with any person without providing notice and an opportunity to participate in the communication.
- ii. Notwithstanding subsection (i) Board members may communicate with Board staff on pending requests for review, members of the staff of the attorney general and reporter or a licensed attorney who has no interest in the decision being reviewed and agrees that the communication is privileged.

Effective: August 5, 2015.



Supersedes: Policy No. 18 (Adopted 1-15-04)

POLICY NO. 08

INTERLOCAL AGREEMENTS

PURPOSE: The following policy requires interlocal agreements between an emergency communications district and another governmental entity be memorialized in writing, approved by the local board of directors, and that such agreements be provided to the Board.

POLICY:

All agreements or arrangements between an emergency communications district and another governmental entity in which facilities, resources and/or income of any kind is shared, contributed or obtained shall be memorialized in written interlocal agreements adopted by the board of directors of the local emergency communications district before the implementation of such an agreement. A copy of each interlocal agreement, or any amendments to an interlocal agreement, shall be submitted to the Board within forty-five (45) days after such agreement is executed by the entities involved.

Effective: August 5, 2015.

Supersedes: Policy No. 25 (Adopted 7-16-04).

POLICY NO. 10

FINANCIAL SUPPORT TO PROMOTE DISTRICT CONSOLIDATION

PURPOSE: The following policy sets forth a financial incentive program to promote the consolidation of emergency communication districts pursuant to Tenn. Code Ann. § 7-86-105(b)(7).

POLICY:

Each emergency communications district that consolidates with another district, up to a maximum of three (3) districts, shall be eligible for financial assistance up to a maximum of \$150,000 each toward the cost of consolidation, to be determined on a case-by-case basis after a site visit and analysis by the Board or its designee(s), and the development in conjunction with the effected districts of a consolidation plan, including the projected costs associated with the project, subject to the Board's approval.

The consolidation shall be memorialized in a written interlocal agreement consistent with Tenn. Code Ann. § 7-86-105(b)(7). The amount of financial support for consolidation of more than three (3) ECDs shall be determined on a case-by-case basis by the TECB. The provision of financial support by the Board is subject to the availability of funds in the Emergency Communications Fund.

Effective: August 5, 2015.

Supersedes Policy No. 34 (Adopted 7-28-05).

POLICY NO. 11

DISTRICT BOARD MEETINGS AND ELECTION OF OFFICERS

PURPOSE: The following policy provides for regularly scheduled meetings of local emergency communications districts board of directors and the election of officers for such boards.

POLICY:

Each district board of directors shall meet at least quarterly, and at the call of the chair. Each district board shall also elect a chair and such other officers as it deems appropriate. At a minimum, such elections shall be conducted at least every two (2) years.

Effective: August 5, 2015.

Supersedes: Policy No. 35 (Adopted 4-20-06).

POLICY NO. 12

CATASTROPHIC LOSS ASSISTANCE

PURPOSE: The following policy sets forth the requirements and procedures for the Tennessee Emergency Communications Board's catastrophic loss assistance program to provide temporary aid to districts in the event of a catastrophic loss.

POLICY:

Emergency communications districts with a catastrophic loss or losses may be eligible for financial assistance in an amount up to \$100,000, per catastrophic event. The Board will only provide immediate temporary assistance in the event of a catastrophic loss subject to the terms set forth below.

- A. Districts without comprehensive insurance coverage are not eligible for catastrophic loss assistance. Completed claims must be filed with the insurance company within thirty (30) days after incurring a catastrophic loss, or failure to timely file the claim must be justified to, and approved by, the Board.
- B. Only "catastrophic loss" will be covered. "Catastrophic loss" is defined as a partial or complete loss of equipment or facilities which incapacitates or reduces the ability of the district to perform 911 functions, due to fire, earthquake, tornado, lightning, hazardous waste, acts of God, or other events deemed catastrophic by the Board in accordance with this policy.
- C. Items that are eligible for consideration of reimbursement by the Board, if properly justified and documented, include: the purchase price for replacement of equipment or property that was damaged; the cost of clean-up and waste/trash removal; the cost of materials and labor to install or prepare replacement equipment and property for use; the cost of refurbishing the facilities to make them useful, safe, and habitable; the cost of overtime pay that might be incurred for staff for clean-up; overtime and premium overtime salary costs to maintain 911 services disrupted by the event; etc. This list is not inclusive of every cost that may be eligible.
- D. A district may request funds for immediate needs and repay the Board after insurance settlement. All funds advanced for immediate needs must subsequently be justified and supported after insurance settlement is complete by the submission of appropriate documentation. Any overpayment from the advance must be returned to Board within thirty (30) days after receiving final settlement from the insurance company for the loss.

- E. The need for a site visit by the Director of E-911 Technical Services to verify use of the funds will be determined by the Executive Director of the Board on a case by case basis, as soon as practicable after the event.
- F. In order to expedite assistance to districts during a catastrophic event, the Executive Director of the Board is authorized to release funds, subject to approval by the Board Chair, if the following criteria have been met:
 - 1. Release of the funds is necessary for the restoration or adequate provision of 911 service
 - 2. The funds are only needed for items authorized by the 911 Revenue Standards; and
 - 3. The district director, or district board chair, completes a form designated "Request for Advance of Catastrophic Loss" certifying the following:
 - a. The total amount needed;
 - b. That the ECD is in immediate need of cash resources to initiate and maintain 911 services at an acceptable level of operations.
 - c. That the ECD had a valid insurance policy in effect at the time of the catastrophic event and will file claims for reimbursement in accordance with the policy requirements to the extent necessary to ensure full allowable reimbursement and that the full amount of any advance received shall be returned to the TECB after settlement with the insurance company.
 - d. That the request for cost reimbursement is correct and valid, and that the amount claimed will be expended to implement, operate, maintain or enhance statewide wireless enhanced 911 service in conformance with all applicable orders and rules of the Federal Communications Commission and other federal and state requirements that pertain to wireless enhanced 911 service.
- G. In order to be eligible for assistance, copies of vendor quotation(s) for the item(s) for which funding is sought must be provided to the Board.
- H. All emergency communications districts shall obtain comprehensive insurance on equipment for which the district received reimbursement of all or part of the purchase price from the Tennessee Emergency Communications Board. It is strongly recommended that comprehensive insurance be obtained on all real or personal property, facilities and/or equipment owned by or used in the operation of the district. Districts that fail to procure insurance are ineligible to apply to the Board for advances for catastrophic losses or damages.



Effective: August 5, 2015.

Supersedes: Policy No. 40 (Adopted 4-19-07).

POLICY NO. 13

REDUCTIONS IN LOCAL FUNDING

PURPOSE: Tenn. Code Ann. § 7-86-303(e) Budget -- Salary and expenses -- Funding -- Authorized disbursements, states, "The board may not reduce the base amount for any emergency communications district unless the local government funding for such emergency communications district is reduced, in which case the board may reduce the base amount by the same amount as the local funding reduction."

Authority to withhold funds is also authorized by Tenn. Code Ann. § 7-86-128(h) Collection of 911 Surcharge, which states, "... the board may withhold such distribution to an emergency communications district, if ... (the board) deems that the district is not taking sufficient actions or acting in good faith to establish, maintain, or advance E911 service for the citizens of an emergency communications district."

POLICY:

1. Emergency communications districts shall notify the Tennessee Emergency Communications Board ("board") within ten (10) business days after receiving notice that a local government entity providing contributions to the district intends to reduce such contributions so the board may take action deemed necessary to try to avoid any reduction of funding to the district.
2. Board staff shall monitor audited financial statements and perform investigative and analytical work needed to determine that an actual reduction in local governmental funding support has occurred, or that the district is not taking sufficient actions or acting in good faith to establish, maintain, or advance E911 service for the citizens of the district. Local funding may not be wholly dependent upon cash transactions and non-recurring activities must be considered, therefore, a case study of each district experiencing a decrease in local funding (pursuant to T.C.A. § 7-86-303), or citizen 911 service deprivation, shall be prepared for board review.
3. Board staff shall conduct or assist in negotiations between the district and the applicable local governments to return to the previous level of local support or 911 services to citizens.
4. If restitution or appropriate service is not obtained through negotiation, the district and local government representatives shall be offered a chance to present the circumstances to board staff.

After reviewing the circumstances presented and any documentation, board staff shall make a determination if there has been a reduction in local government funding. Any determinations by board staff of a reduction in local funding shall be reported to the board at the August board meeting.

5. Upon staff's presentation to the board confirming a reduction in local government funding, the board shall reduce base funding to the ECD by the same amount of the reduction of local government funding, up to the maximum of the base funding amount, unless the board by motion votes otherwise.
6. Reduced funding shall be effective with the next scheduled base funding distribution and the reduced amount will be distributed evenly over subsequent bi-monthly payments.

Partial or complete restitution of local government funding shall restore board's reduction of the base funding by the same amount.

Effective: August 5, 2015; Amended November 2, 2016, May 5, 2021.

Supersedes: Policy No. 42 (adopted 9-24-09).

POLICY NO. 14

COMPOSITION AND SELECTION OF BOARD OF DIRECTORS OF MULTI-JURISDICTIONAL DISTRICT CREATED PURSUANT TO TECB ORDER OF CONSOLIDATION

PURPOSE: The following policy sets forth Board directives concerning the composition and selection of the board of directors of a multi-jurisdictional emergency communications district created pursuant to Tenn. Code Ann. § 7-86-305.

POLICY:

The board of directors of a multi-jurisdictional district created by order of consolidation of the Board pursuant to Tenn. Code Ann. §7-86-305 shall be composed of no fewer than seven (7) and no more than twelve (12) members, unless otherwise directed by the Board.

No less than twenty-five percent (25%) and no more than thirty-four percent (34%) of the membership of the consolidated board of directors of such district shall represent the area of the financially distressed district.

The members representing the financially distressed district shall be appointed by the county mayor or chief executive officer and confirmed by the legislative body of the area they represent. If the legislative body does not act to confirm or reject the appointment within ninety (90) days or until the conclusion of its next regularly scheduled meeting, whichever is later, the appointment shall take effect without confirmation. The members representing the financially distressed district shall be appointed for staggered terms of two (2), three (3) and four (4) years, dating from the effective date of consolidation. Thereafter, the members shall serve for a term of four (4) years.

The number and terms of the members representing the non-financially distressed district shall not change as a result of the consolidation unless otherwise agreed to by the non-financially distressed district and the Board prior to consolidation.

Members shall serve until a successor is duly appointed and confirmed.

Effective: August 5, 2015.

Supersedes: Policy No. 43 (Adopted 5-29-11).

POLICY NO. 15

DISTRIBUTION OF EXCESS SURCHARGE REVENUE

PURPOSE: The following policy sets forth the procedures for distributing any excess surcharge revenue as provided in Tenn. Code Ann. § 7-86-130.

POLICY:

- I. Definitions
 - a. "Board" means the Tennessee Emergency Communications Board established under Tenn. Code Ann. § 7-86-302.
 - b. "District" means an Emergency Communications District created pursuant to Tenn. Code Ann. § 7-86-104.
 - c. "Excess Surcharge Revenue" means any 911 Surcharge Revenue, as defined in Tenn. Code Ann. 7-86-103(2), collected in excess of the annual fiscal requirements of the Tennessee Emergency Communications Board and the bimonthly disbursements made to the Emergency Communications Districts pursuant to Tenn. Code Ann. § 7-86-303.
- II. Distribution of Excess Surcharge Revenue
 - a. Seventy-five percent (75%) of excess surcharge revenue shall be distributed among the districts in individual lump sum payments to each district.
 - b. Each district shall receive a proportionate share of the seventy-five percent (75%) distribution in an amount equal to the district's proportionate share of the base funding distributed by the Board pursuant to Tenn. Code Ann. § 7-86-303(e). For example, if a district receives 1% of the total base funding, that district will receive 1% of the excess fund distribution.
 - c. The Board may authorize additional distributions of excess surcharge revenue.
- III. After the close of each fiscal year, Board staff shall determine whether there is any excess surcharge revenue. In the event there is excess surcharge revenue, Board staff shall present a calculation of such excess surcharge revenue to the Board. The calculation presented to the Board shall identify the following:

- a. The total amount of excess surcharge revenue.
 - b. The total amounts to be distributed to each district based on each district's proportionate share as set forth in Section II. b. above.
 - c. The total amount of excess surcharge revenue remaining for Board use.
- IV. The Policy Advisory Committee shall review the distribution of excess funds under this policy within (2) years after its effective date and report any recommended changes to the Board.

Effective: August 5, 2015.

Supersedes: Policy No. 47 (Adopted 2-4-15).