

<b>AGENCY NAME:</b>	Office of the Inspector General		
<b>AGENCY CODE:</b>	D250	<b>SECTION:</b>	94



## Fiscal Year 2017-18 Agency Budget Plan

### FORM A – SUMMARY

<b>RECURRING FUNDS (FORM B DECISION PACKAGES)</b>	My agency is submitting the following recurring decision packages listed in <u>priority order</u> (Form B): 9441	
	For FY 2017-18, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting a net increase in recurring General Fund appropriations.
	<input checked="" type="checkbox"/>	Not requesting a net increase in recurring General Fund Appropriations.

<b>CAPITAL &amp; NON-RECURRING FUNDS (FORM C DECISION PACKAGES)</b>	My agency is submitting the following one-time decision packages listed in <u>priority order</u> (Form C):	
	For FY 2017-18, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting capital and/or non-recurring funds.
	<input checked="" type="checkbox"/>	Not requesting capital and/or non-recurring funds.

<b>PROVISOS (FORM D)</b>	For FY 2017-18, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
	<input type="checkbox"/>	Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
<b>PRIMARY CONTACT:</b>	George Davis	803-896-4732	georgedavis@oig.sc.gov
<b>SECONDARY CONTACT:</b>	Patrick Maley	803-896-4721	patrickmaley@oig.sc.gov

I have reviewed and approved the enclosed FY 2017-18 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

<b>SIGN/DATE:</b>	<u>Agency Director</u>	<u>Board or Commission Chair</u>
	9-28-16	n/a
<b>TYPE/PRINT NAME:</b>	Patrick J. Maley	

*This form must be signed by the department head – not a delegate.*

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**FORM B – PROGRAM REVISION REQUEST**

<b>DECISION PACKAGE</b>	<b>9441</b>
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*Provide the decision package number issued by the PBF system ("Governor's Request").*

<b>TITLE</b>	<b>Pay Plan and Health Allocations</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>21,534</b>
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*What is the net change in requested appropriations for FY 2017-18? This amount should correspond to the decision package's total in PBF across all funding sources.*

<b>ENABLING AUTHORITY</b>	N/A
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*What specific state or federal statutory, regulatory, and/or administrative authority established this program? Is this decision package prompted by the establishment of or a revision to that authority? Please avoid citing general provisions of law where possible, and instead cite to the most specific legal authority supporting the request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>
	<input checked="" type="checkbox"/> (Base Adjustment) Allocation of statewide employee benefits.
	<input type="checkbox"/> (Base Adjustment) Realignment within existing programs and lines.
	<input type="checkbox"/> (Base Adjustment) Restructuring of agency programs – <i>requires pre-approval.</i>
	<input type="checkbox"/> IT Technology/Security related
	<input type="checkbox"/> Consulted DTO during development
	<input type="checkbox"/> Related to a Non-Recurring request – If so, Decision Package # _____
	<input type="checkbox"/> Change in cost of providing current services to existing program audience.
	<input type="checkbox"/> Change in case load / enrollment under existing program guidelines.
	<input type="checkbox"/> Non-mandated change in eligibility / enrollment for existing program.
	<input type="checkbox"/> Non-mandated program change in service levels or areas.
	<input type="checkbox"/> Proposed establishment of a new program or initiative.
<input type="checkbox"/> Loss of federal or other external financial support for existing program.	
<input type="checkbox"/> Exhaustion of fund balances previously used to support program.	

<b>RECIPIENTS OF FUNDS</b>	N/A
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*What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?*

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<b>ACCOUNTABILITY OF FUNDS</b>	N/A
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*What specific agency objective, as outlined in the agency's accountability report, does this funding request support? How would this request advance that objective?*

<b>POTENTIAL OFFSETS</b>	N/A
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*For decision packages that request non-mandatory funding increases to programs or initiatives, please identify a potential offset within an existing lower priority or ineffective program(s).*

<b>MATCHING FUNDS</b>	N/A
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*Would these funds be matched by federal, institutional, philanthropic, or other resources? If so, identify the source, amount, and terms of the match requirement.*

<b>FUNDING ALTERNATIVES</b>	N/A
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*What other possible funding sources were considered? Could this request be met in whole or in part with the use of other resources, including fund balances? If so, please comment on the sustainability of such an approach.*

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<b>SUMMARY</b>	N/A
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*Using as much detail as necessary to make an informed decision regarding this request, provide a summary of the rationale for the decision package. Why has it been requested? How specifically would the requested funds be used? If the request is related to information security or information technology, explain its relationship to the agency's security or technology plan.*

<b>METHOD OF CALCULATION</b>	N/A
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*How was the amount of the request calculated? List the per unit or per FTE costs of implementation. What factors could cause deviations between the request and the amount that could ultimately be required in order to perform the underlying work?*

<b>FUTURE IMPACT</b>	N/A
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*Will the state incur any maintenance-of-effort or other obligations by adopting this decision package? What impact will there be on future capital and/or operating budgets if this request is or is not honored? Has a source of any such funds been identified and/or obtained by your agency?*

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<b>PRIORITIZATION</b>	N/A
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*If no or insufficient new funds are available in order to meet this need, how would the agency prefer to proceed? By using fund balances, generating new revenue, cutting other programs, or deferring action on this request in FY 2017-18? Please be specific.*

<b>INTENDED IMPACT</b>	N/A
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*What impact is this decision package intended to have on service delivery and program outcomes, and over what period of time?*

<b>PROGRAM EVALUATION</b>	N/A
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*How would the use of these funds be evaluated? What specific outcome or performance measures would be used to assess the effectiveness of this program?*

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**FORM D – PROVISO REVISION REQUEST**

<b>NUMBER</b>	<b>New</b>
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*Cite the proviso according to the renumbered list for FY 2017-18 (or mark "NEW").*

<b>TITLE</b>	<b>Suspected Fraud Reporting</b>
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*Provide the title from the FY 2016-17 Appropriations Act or suggest a short title for any new request.*

<b>BUDGET PROGRAM</b>	<b>N/A</b>
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*Identify the associated budget program(s) by name and budget section.*

<b>DECISION PACKAGE</b>	<b>N/A</b>
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*Is this request associated with a decision package you have submitted for FY 2017-18? If so, cite it here.*

<b>REQUESTED ACTION</b>	<b>Add</b>
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*Choose from: Add, Delete, Amend, or Codify.*

<b>OTHER AGENCIES AFFECTED</b>	All Executive Branch Agencies – A new requirement would be added requiring reporting of suspected employee fraud within seven days to the Inspector General’s Office.
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*Which other agencies would be affected by the recommended action? How?*

<b>SUMMARY</b>	Currently, the Inspector General attempts to compile a comprehensive report of fraud involving state employees in the Executive Branch. Agencies voluntarily provide this information, and it appears the result is an incomplete listing of state employee fraud.
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*Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it.*

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<b>EXPLANATION</b>	<p>Currently, the Inspector General solicits this information from agencies. However, it appears agencies do not provide a comprehensive listing of all incidences. In particular, situations where an employee is dismissed without reporting the fraud to law enforcement, often are not reported to the Inspector General.</p>
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*Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.*

<b>FISCAL IMPACT</b>	<p>The fiscal impact should be minimal.</p>
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*Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.*

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**All Executive Branch agencies, commissions, and universities will provide a written notice to the State Inspector General’s Office within in seven days of self-initiating an internal investigation on suspected fraud conducted by a state employee against the agency or referral of a state employee for suspected fraud against the agency to any law enforcement agency.**

**PROPOSED  
PROVISO TEXT**

*Paste FY 2016-17 text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.*

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**FORM E – 3% GENERAL FUND REDUCTION**

<b>DECISION PACKAGE</b>	<b>11140</b>
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*Provide the decision package number issued by the PBF system ("Governor's Request").*

<b>TITLE</b>	<b>Agency General Fund Reduction Analysis</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>-\$19,680</b>
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*What is the General Fund reduction amount (minimum based on the FY 2016-17 recurring appropriations)? This amount should correspond to the decision package's total in PBF.*

<b>METHOD OF CALCULATION</b>	Reduction was calculated by applying the reduction in hours by the employees' hourly rates, plus the reduction in employee benefits for those employee benefits that vary based on the employee's salaries.
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*Describe the method of calculation for determining the reduction in General Funds.*

<b>ASSOCIATED FTE REDUCTIONS</b>	Two of the office's seven employees would have their hours reduced approximately 5 hours per week. The two employees' hours would be reduced from 37.5 hours per week to 32.25 hours per week. This would be an overall reduction of 0.28 FTEs.
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*How many FTEs would be reduced in association with this General Fund reduction?*

<b>PROGRAM/ACTIVITY IMPACT</b>	The investigation of fraud, waste, abuse and mismanagement involving the Executive Branch of State Government.
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*What programs or activities are supported by the General Funds identified?*

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<b>SUMMARY</b>	<p>A 3% budget reduction would reduce employee hours devoted to the investigations from 9,750 hours annually to 9,203 hours, or a reduction of 547 hours annually - a 5.6% reduction in investigative capacity.</p>
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*Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations.*