

AGENCY NAME:	SC Department of Insurance		
AGENCY CODE:	R20	SECTION:	78



Fiscal Year 2017-18 Agency Budget Plan

FORM A – SUMMARY

RECURRING FUNDS (FORM B DECISION PACKAGES)	My agency is submitting the following recurring decision packages listed in <u>priority order</u> (Form B): 9756 Form ID Gov's Request; This represents our Agency's Allocation of State Funds for FY 2016-17 for both the 3.25% Pay Increase and the Health Insurance Increase.	
	For FY 2017-18, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting a net increase in recurring General Fund appropriations.
	<input type="checkbox"/>	Not requesting a net increase in recurring General Fund Appropriations.

CAPITAL & NON-RECURRING FUNDS (FORM C DECISION PACKAGES)	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.

PROVISOS (FORM D)	For FY 2017-18, my agency is (mark "X"):	
	<input 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 checked="" 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>
PRIMARY CONTACT:	Tom Watson	(803) 737-6141	twatson@doi.sc.gov
SECONDARY CONTACT:	Mia Mills	(803) 737-6111	mmills@doi.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.

	<u>Agency Director</u>	<u>Board or Commission Chair</u>
SIGN/DATE:	 9/29/2016	N/A
TYPE/PRINT NAME:	Raymond G. Farmer	N/A

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

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FORM B – PROGRAM REVISION REQUEST

DECISION PACKAGE	9756 Form ID Gov’s Request
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Provide the decision package number issued by the PBF system (“Governor’s Request”).

TITLE	FY17 Pay Plan, SCRS & PORS rate increase and Health & Dental Insurance Allocation
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Provide a brief, descriptive title for this request.

AMOUNT	\$122,139
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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.

ENABLING AUTHORITY	This represents our Agency’s Allocation of State Funds for FY 2016-17 for the 3.25% Pay Increase, SCRS & PORS rate increase and the Health & Dental Insurance Increase.
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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.

FACTORS ASSOCIATED WITH THE REQUEST	Mark “X” for all that apply:
	<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.	

RECIPIENTS OF FUNDS	Employee pay and benefits from employer.
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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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ACCOUNTABILITY OF FUNDS	All State Funded programs.
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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?

POTENTIAL OFFSETS	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).

MATCHING FUNDS	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.

FUNDING ALTERNATIVES	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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SUMMARY	<p>This represents our Agency's Allocation of State Funds for FY 2016-17 for the 3.25% Pay Increase, SCRS & PORS rate increase and the Health & Dental Insurance Increase.</p>
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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.

METHOD OF CALCULATION	<p>The 3.25% Pay Increase was spread based on projected salaries within programs.</p>
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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?

FUTURE IMPACT	<p>No.</p>
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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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PRIORITIZATION	<p>Important. Funds are needed to support the 3.25% Pay Increase and employer fringe benefits adopted in the FY17 Appropriations Act.</p>
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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.

INTENDED IMPACT	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?

PROGRAM EVALUATION	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 E – 3% GENERAL FUND REDUCTION

DECISION PACKAGE	9815 Form ID Gov's Request
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Provide the decision package number issued by the PBF system ("Governor's Request").

TITLE	3% Agency General Fund Reduction Analysis
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Provide a brief, descriptive title for this request.

AMOUNT	-\$125,472
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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.

METHOD OF CALCULATION	3% reduction of fiscal year 2016-2017 Recurring General Fund Appropriations. Supplied by Ms. Brenda Hart, SC Dept. of Administration in August 29, 2016 Memorandum.
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Describe the method of calculation for determining the reduction in General Funds.

ASSOCIATED FTE REDUCTIONS	None anticipated.
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How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM/ACTIVITY IMPACT	Almost all programs would be impacted by this "proposed" reduction. The Agency would attempt to reduce some of its operating costs in order to meet the mandated reduction.
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What programs or activities are supported by the General Funds identified?

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SUMMARY	<p>To accomplish this reduction, we would have to postpone some of our planned IT initiatives. We continue to strive towards increasing our infrastructure as it relates to security and privacy. We continue to implement recommendations provided by the SC Dept. of Administration’s Division of Technology (DTO).</p> <p>We would also reduce the services provided by the Dept. of Administration as it relates to mail processing communications for our licensees and companies regulated.</p>
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Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations.