

AGENCY NAME:	South Carolina Administrative Law Court		
AGENCY CODE:	C05	SECTION:	58



**Fiscal Year 2018-19
Agency Budget Plan**

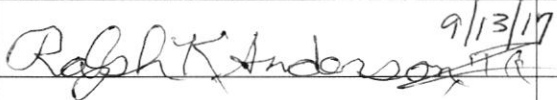
FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS (FORM B1)	For FY 2018-19, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting General Fund Appropriations.
	<input type="checkbox"/>	Requesting Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.
NON-RECURRING REQUESTS (FORM B2)	For FY 2018-19, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.
CAPITAL REQUESTS (FORM C)	For FY 2018-19, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting funding for Capital Projects.
	<input checked="" type="checkbox"/>	Not requesting any changes.
PROVISOS (FORM D)	For FY 2018-19, 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:	Jana Shealy	734-6411	jshealy@scalc.net
SECONDARY CONTACT:	Margaret Sanders	734-6414	msanders@scalc.net

I have reviewed and approved the enclosed FY 2018-19 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:	 9/13/17	
TYPE/PRINT NAME:	Ralph K. Anderson, III, Chief Judge	

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

Fiscal Year 2018-19 Budget Request Executive Summary

Agency Code: C05
 Agency Name: South Carolina Administrative Law Court
 Section:

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Pay increase for attorneys and law clerks and fringe associated with increase	42,604		16,048		58,652	0.00		0.00		0.00
2	B2 - Non-Recurring	Update of court room technology	80,000				80,000					0.00
3							0					0.00
4							0					0.00
5							0					0.00
6							0					0.00
7							0					0.00
8							0					0.00
9							0					0.00
10							0					0.00
11							0					0.00
12							0					0.00
13							0					0.00
14							0					0.00
15							0					0.00
16							0					0.00
17							0					0.00
18							0					0.00
19							0					0.00
20							0					0.00
21							0					0.00
22							0					0.00
23							0					0.00
24							0					0.00
25							0					0.00
26							0					0.00
27							0					0.00
28							0					0.00
29							0					0.00
30							0					0.00
TOTAL BUDGET REQUESTS			122,604	0	16,048	0	138,652	0.00	0.00	0.00	0.00	0.00

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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	1 – Form #13014
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Pay increase for attorneys and law clerks and fringe associated with increase
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$42,604 Federal: Other: \$16,048 Total: \$58,652
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What is the net change in requested appropriations for FY 2018-19? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	N/A
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark “X” for all that apply:
	<input checked="" 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
	<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, Priority # _____	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark “X” for primary applicable Statewide Enterprise Strategic Objective:
	<input type="checkbox"/> Education, Training, and Human Development
	<input type="checkbox"/> Healthy and Safe Families
	<input type="checkbox"/> Maintaining Safety, Integrity, and Security
	<input type="checkbox"/> Public Infrastructure and Economic Development
<input checked="" type="checkbox"/> Government and Citizens	

ACCOUNTABILITY OF FUNDS	All objectives will be supported by this request. Being able to adequately compensate the ALJ attorneys for their performance compared with other attorneys at other State agencies.
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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? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS	The staff attorneys and law clerks at the ALC would receive these funds. The funds will be used to increase the attorneys' compensation, a move that is intended to bring their salaries more in line with other state agencies pay for attorneys.
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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?

JUSTIFICATION OF REQUEST	The request of a 7% increase is for nine employees paid from State Appropriated Funds - \$35,485 plus fringe - \$7,119 = \$42,604 and four employees paid out of Earmarked Funds - \$13,364 plus fringe - \$2,684 = \$16,048. Attorneys provide invaluable legal research support to the Administrative Law Judges for the issuance of sound, prompt decisions and therefore assist in shortening the length of time between filing and disposition of cases. Over the years, the ALC has historically not had adequate funding for these positions. Even with the 7% increase generously approved in the FY15-16 Appropriations Act, we have continued to see a high turnover rate and attorneys moving to other state agencies that offer higher salaries than the ALC is able to provide. In order to effectively and efficiently carry out the ALC's core function, it is imperative to attract and maintain qualified attorneys to assist with the decision-making process.
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Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

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FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY	2 – Form #13015
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Update of court room technology
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Provide a brief, descriptive title for this request.

AMOUNT	\$80,000
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What is the net change in requested appropriations for FY 2018-19? This amount should correspond to the total for all funding sources on the Executive Summary.

FACTORS ASSOCIATED WITH THE REQUEST	Mark “X” for all that apply:
	<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
	<input type="checkbox"/> IT Technology/Security related
	<input type="checkbox"/> Consulted DTO during development
	<input checked="" type="checkbox"/> Request for Non-Recurring Appropriations
<input type="checkbox"/> Request for Federal/Other Authorization to spend existing funding	
<input type="checkbox"/> Related to a Recurring request – If so, Priority # _____	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark “X” for primary applicable Statewide Enterprise Strategic Objective:
	<input type="checkbox"/> Education, Training, and Human Development
	<input type="checkbox"/> Healthy and Safe Families
	<input type="checkbox"/> Maintaining Safety, Integrity, and Security
	<input type="checkbox"/> Public Infrastructure and Economic Development
<input checked="" type="checkbox"/> Government and Citizens	

ACCOUNTABILITY OF FUNDS	All objectives will be supported by this request. The mission of the ALC is to provide a neutral forum for fair, prompt and objective hearings of any person affected by an action or proposed action of certain agencies of the State of South Carolina.
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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? How would the use of these funds be evaluated?

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RECIPIENTS OF FUNDS	The funds will be used to pay the vendor labor and equipment costs to upgrade the courtroom technology.
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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?

JUSTIFICATION OF REQUEST	<p>Updated technology is essential to maintain court operations effectively and efficiently for employees and the citizens of South Carolina. Citizens of South Carolina have learned to use technology as well as better understand the complexity of state applications. Further, updated technology in the courtrooms will assist the litigants, including citizens and state agencies, in putting forth their case and evidence in order for the judge to make the best decision possible. Our challenge at the ALJ is aging equipment, expenses that are incurred in maintenance costs for replacement parts and longer downtime for end users. By not replacing technology equipment, we would greatly reduce the efficiency of our court operation. As a result of sound fiscal practices, we were able to absorb the upgrade to our largest courtroom this past FY. And the cost of that upgrade was used to determine the costs associated with this request. However, since we are a one program agency, we are not able to absorb the request elsewhere to upgrade courtrooms 2 and 3. This request will not create a need for annualization or recurring funds.</p>
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Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. Does this non-recurring appropriation request create an annualization or need for recurring funds?

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**FORM E – AGENCY COST SAVINGS AND GENERAL FUND REDUCTION
CONTINGENCY PLAN**

TITLE	Agency Cost Savings and General Fund Reduction Contingency Plan
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AMOUNT	\$78,269
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What is the General Fund 3% reduction amount (minimum based on the FY 2017-18 recurring appropriations)? This amount should correspond to the reduction spreadsheet prepared by EBO.

ASSOCIATED FTE REDUCTIONS	NA
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How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM/ACTIVITY IMPACT	<p>The Administrative Law Court is a one program agency, therefore; these funds support the entire Court. Our sole mission and program is to conduct contested cases, appellate and injunctive hearings filed by agencies or citizens of the State, as well as to preside over regulation hearings. As a Court, the ALC does not have direct control over how many cases are filed or the extent of the complexity of the cases. Also, the ALC does not have multiple programs or funding options to move around to absorb a general fund reduction; therefore, any reduction in funds has the potential to negatively impact the delivery of due process to the litigants appearing before the ALC.</p>
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What programs or activities are supported by the General Funds identified?

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SUMMARY

As stated above, the ALC is a one program agency and therefore we do not have multiple programs or funding options to move around to absorb a general fund reduction. Furthermore, approximately 80% of our budget goes to salary and fringe benefits. Thus a 3% reduction as requested and calculated by the Budget Office would have a negative impact on the Court.

Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations and provide the method of calculation for anticipated reductions. Agencies should prioritize reduction in expenditures that have the least significant impact on service delivery.

AGENCY COST SAVINGS PLANS

The approximate 20% for operating and administration of the court leaves no room for a reduction of over \$50,000. Operating expenses for the Court include postage, rent, court reporters, computers and copiers and Westlaw payments are among the vital expenses that would prohibit the Court from functioning if they were eliminated or reduced by \$50,000.

What measures does the agency plan to implement to reduce its costs and operating expenses by more than \$50,000? Provide a summary of the measures taken and the estimated amount of savings. How does the agency plan to repurpose the savings?