

AGENCY NAME:	State Accident Fund		
AGENCY CODE:	R12	SECTION:	75



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): 9806	
	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.

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:	Harry B. Gregory Jr.	(803) 896-5409	hgregory@saf.sc.gov
SECONDARY CONTACT:	Gerald A. Murphy	(803) 896-5870	gmurphy@saf.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.

SIGN/DATE:	<u>Agency Director</u>	<u>Board or Commission Chair</u>
	 Harry B. Gregory Jr.	
TYPE/PRINT NAME:		

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

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FORM B – PROGRAM REVISION REQUEST

DECISION PACKAGE	9806
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Provide the decision package number issued by the PBF system ("Governor's Request").

TITLE	Realignment of Resources within Agency
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Provide a brief, descriptive title for this request.

AMOUNT	\$0
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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	Section 42-7-10. Establishment of the State Accident Fund and Section 42-7-200. Workers' Compensation Uninsured Employers' Fund. This revision is not the result of the establishment or revision of the cited authorities.
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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 type="checkbox"/> (Base Adjustment) Allocation of statewide employee benefits.
	<input checked="" 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	Agency Employees
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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	<p>This budget request supports all of the agency’s goals and objectives. It provides the resources needed to; “Maintain (a) High Level of Customer Satisfaction”, “Be the Leader in South Carolina Workers’ Compensation rule and regulation compliance”, “Agency remain finically self-sustaining.”, “The Fund’s financial records will reflect a cumulative net gain in assets.”</p>
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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	<p>Not Applicable</p>
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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	<p>Not Applicable</p>
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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	<p>The State Accident Fund does not receive General Fund appropriations. It is funded entirely through “other” funds.</p>
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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>In an effort to fund the 3.25% employee pay increase and the increase in employer contributions without requesting additional funding, the agency has worked diligently to identify opportunities to reduce other operating expenses.</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>Standard zero based budgeting processes were used to prepare this budget request.</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>The State will not incur any additional obligations as a result of this change.</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>The agency is funded entirely by the premiums it collects and receives NO general funds.</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	<p>These changes will allow the agency to maintain its current level of service without increasing its administrative cost ratio.</p>
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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	<p>We will continue to monitor customer satisfaction and the financial health of the agency while continuing to seek out new ways to reduce costs.</p>
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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?