

Agency Name:	State Fiscal Accountability Authority		
Agency Code:	E550	Section:	104



**Fiscal Year FY 2026-2027**

**Agency Budget Plan**

**FORM A - BUDGET PLAN SUMMARY**

<b>OPERATING REQUESTS</b> <i>(FORM B1)</i>	<b>For FY 2026-2027, my agency is (mark "X"):</b>	
	<input checked="" type="checkbox"/>	Requesting General Fund Appropriations.
	<input checked="" type="checkbox"/>	Requesting Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.

<b>NON-RECURRING REQUESTS</b> <i>(FORM B2)</i>	<b>For FY 2026-2027, my agency is (mark "X"):</b>	
	<input checked="" type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input checked="" type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.

<b>CAPITAL REQUESTS</b> <i>(FORM C)</i>	<b>For FY 2026-2027, my agency is (mark "X"):</b>	
	<input type="checkbox"/>	Requesting funding for Capital Projects.
	<input checked="" type="checkbox"/>	Not requesting any changes.
	<input type="checkbox"/>	

<b>PROVISOS</b> <i>(FORM D)</i>	<b>For FY 2026-2027, my agency is (mark "X"):</b>	
	<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>	Grant Gillespie	(803) 737-4381	ggillespie@sfaa.sc.gov
<b>SECONDARY CONTACT:</b>	Denise Carraway	(803) 737-3019	denise.carraway@sfaa.sc.gov

I have reviewed and approved the enclosed FY 2026-2027 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	<u>Agency Director</u>	<u>Board or Commission Chair</u>
<b>SIGN/DATE:</b>		
<b>TYPE/PRINT NAME:</b>		

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

Agency Name:	State Fiscal Accountability Authority
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BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B2 - Non-Recurring	Operations Increase	9,500,000	0	0	0	9,500,000	0.00	0.00	0.00	0.00	0.00
2	B1 - Recurring	Procurement Resources- Statewide System Improvements	2,964,000	0	0	0	2,964,000	24.00	0.00	0.00	0.00	24.00
3	B1 - Recurring	Personal Service- Employer Contributions	0	0	401,413	589,701	991,114	0.00	0.00	0.00	0.00	0.00
4	B1 - Recurring	Dept of Admin/DTO IT Support	0	0	176,168	4,861	181,029	0.00	0.00	0.00	0.00	0.00
5	B2 - Non-Recurring	Operating Costs	0	0	141,035	146,050	287,085	0.00	0.00	0.00	0.00	0.00
TOTALS			12,464,000	0	718,616	740,612	13,923,228	24.00	0.00	0.00	0.00	24.00

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## **FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	2
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>Procurement Resources-Statewide System Improvements</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$2,964,000</b> <b>Federal: \$0</b> <b>Other: \$0</b> <b>Total: \$2,964,000</b>
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*What is the net change in requested appropriations for FY 2026-2027? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	24.00
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input checked="" 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 checked="" 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 checked="" type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input checked="" type="checkbox"/>	IT Technology/Security related
	<input checked="" type="checkbox"/>	HR/Personnel Related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<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

<b>ACCOUNTABILITY OF FUNDS</b>	<p>This priority impacts three strategies: manage and perform acquisitions for the State, provide leadership and accountability of the State's procurement system, continue strategic sourcing initiative. This request would provide staffing to reduce complexity and time for stakeholders to research and identify items in statewide contracts, to improve contract administration, expand training statewide for all procurement staff, provide staffing for comprehensive audit of all agencies, improving agency compliance and system function. The use of statewide contracts across multiple types of stakeholders (State, County, City, local government, colleges and universities, school districts) with a decrease in State purchasing cost, expanded use of contracts and an expected increase in fee revenue for the State would indicate successful use of these funds.</p>
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*What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?*

	Agency personnel, fringe benefit providers, related operational costs.
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**RECIPIENTS OF FUNDS**

*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**

- Implement a contract administration function- 10 FTEs
- Provide statewide procurement training – 6 FTEs
- Provide comprehensive auditing and selectively increase agency procurement authority – 7 FTEs
- Enhance procurement processes with Artificial Intelligence – 1 FTE

Current earned revenue is insufficient to continue the development and improvement of the procurement system, current operations and expansion to facilitate future operations. Existing vacant positions were reduced in July to meet State needs and remaining positions are needed to fulfill current agency operating needs.

*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 B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	3
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>Personal Service-Employer Contributions</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$0</b> <b>Federal: \$0</b> <b>Other: \$991,114</b> <b>Total: \$991,114</b>
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*What is the net change in requested appropriations for FY 2026-2027? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	0.00
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<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 checked="" type="checkbox"/>	HR/Personnel Related
<input type="checkbox"/>	Consulted DTO during development	
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<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	

<b>ACCOUNTABILITY OF FUNDS</b>	<p>Promote a positive work environment which develops staff and produces quality results. Provide a quality budget product for the government and citizens of the State in the planning and development of the State budget by aligning the agency budget with current agency business needs. The intent is to decrease the changes to services areas of the agency budget authorization and more accurately reflect agency cost estimates.</p>
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*What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?*

<b>RECIPIENTS OF</b>	Personal Services and Employer Contribution vendors
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**FUNDS**

*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 agency requests an increase in non-General Fund authorization in Personal Services and Employer Contributions. The amount includes the following:

1. \$391,624 for Personal Service and Employer Contributions for the 2026 General Increase on the General Increase provided to state employees in FY2026;
2. \$599,490 for Personal Service and Employer Contributions for increased costs due to salary adjustments, filling of vacant positions and increases to reward quality performance and retain quality employees.

*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 B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	4
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>Dept of Admin/DTO IT Support</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$0</b> <b>Federal: \$0</b> <b>Other: \$181,029</b> <b>Total: \$181,029</b>
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*What is the net change in requested appropriations for FY 2026-2027? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	0.00
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<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 checked="" type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input checked="" type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	HR/Personnel Related
<input checked="" type="checkbox"/>	Consulted DTO during development	
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

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

<b>ACCOUNTABILITY OF FUNDS</b>	Purchase cost-effective and secure support services from the Department of Administration to protect State, vendor and customer data.
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*What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?*

	Department of Administration: The agency provided a detailed worksheet of the
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**RECIPIENTS OF FUNDS**

increase in costs for IT services and support they provide to SFAA.

*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 Department of Administration, Division of Technology Operations determined that additional funds are required to enable IT support to the agency. An additional discussion was held to reclassify some costs across programs within SFAA and possibly decrease the original calculations prepared by DTO. The rate change varied by program and is identified as follows:

1. SFAA-Admin - increase 74.80%; \$190,104 to \$332,247
2. SFAA-Div of Procurement Services - increase 41.0%; 82,988 to \$117,017
3. SFAA-Insurance Reserve Fund - decrease 9%; \$234,340 to \$213,324
4. SFAA-Second Injury Fund-Sunset - increase 615.4%; \$4,090 to \$29,261

*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**

<b>AGENCY PRIORITY</b>	1
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	Operations Increase
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	\$9,500,000
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*What is the net change in requested appropriations for FY 2026-2027? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<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 checked="" type="checkbox"/>	IT Technology/Security related
	<input checked="" type="checkbox"/>	Consulted DTO during development
	<input type="checkbox"/>	HR/Personnel Related
<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 #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<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	

<b>ACCOUNTABILITY OF FUNDS</b>	Deliver cost-effective and secure support services that improve the business processes.
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*What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?*

<b>RECIPIENTS OF FUNDS</b>	External vendors
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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*

**JUSTIFICATION  
OF REQUEST**

The agency continues the development and implementation of the SCPro system in collaboration with the Department of Administration. Adjustments to the schedule and scope were required. The resulting increase to the projected implementation costs exceed the original cost plans of the project and the available funds accumulated to implement this project. SCPro will serve agencies, school districts, and governments statewide in the purchase of goods and services. The non-recurring funds are requested to finalize the development and meet the planned final implementation date in the fall of FY2028 (Sept 2027) for this collaborative project.

*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**

<b>AGENCY PRIORITY</b>	5
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	Operating Costs
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	\$287,085
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*What is the net change in requested appropriations for FY 2026-2027? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<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 checked="" type="checkbox"/>	IT Technology/Security related
	<input checked="" type="checkbox"/>	Consulted DTO during development
	<input type="checkbox"/>	HR/Personnel Related
	<input 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 #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<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	

<b>ACCOUNTABILITY OF FUNDS</b>	This request is not identified in the Fiscal Year Strategic Planning and Performance Measurement template.
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*What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?*

<b>RECIPIENTS OF FUNDS</b>	Information technology vendor(s), Auditors: Funds would be remitted to the vendor providing the goods for the hardware refresh and to the auditors conducting the audit.
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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*

**JUSTIFICATION  
OF REQUEST**

Agency hardware was last replaced in 2020 and is now over five years old. Normal replacement is approximately every three years. Updated hardware provides a modern hybrid architecture with dedicated performance, efficiency, and AI cores—delivering faster multitasking, improved responsiveness, and better handling of advanced workloads. In addition, the new hardware includes Intel's latest hardware-based security features and meet modern cybersecurity and compliance demands, such as threat detection and secure boot processes. Employees working with high-demand applications (e.g., engineering, analytics, design, IT, executive) benefit from fewer delays, improving overall business productivity.

Audit of the Insurance Reserve Fund is conducted every three years by the Department of Insurance.

Budget projections for FY2027 require an increase in authorization in the non-General Funds of the agency.

*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 D – PROVISO REVISION REQUEST**

<b>NUMBER</b>	104.10
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*Cite the proviso according to the renumbered list (or mark "NEW").*

<b>TITLE</b>	SFAA: P-Card Oversight
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*Provide the title from the renumbered list or suggest a short title for any new request.*

<b>BUDGET PROGRAM</b>	Section 104 II. Procurement Services
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*Identify the associated budget program(s) by name and budget section.*

<b>RELATED BUDGET REQUEST</b>	None
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*Is this request associated with a budget request you have submitted for FY 2026-2027? If so, cite it here.*

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

<b>OTHER AGENCIES AFFECTED</b>	All; requirements for development of internal policies in accordance with guidance published by the Division; preparation of reports by all governmental bodies
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*Which other agencies would be affected by the recommended action? How?*

<b>SUMMARY &amp; EXPLANATION</b>	<p>Update and maintain the South Carolina Purchasing Card Policy and Procedures Manual (Manual).</p> <p>Establish sound practices for the use of purchasing cards (P-Cards) and for management oversight of use to reduce the State's risk of PCard misuse and fraud.</p> <p>Develop and provide training and testing on the requirements of the Manual.</p> <p>Task directors of each governmental body with ensuring adherence to the requirements of the Manual, including annual training, compliance reviews and reporting.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

## FISCAL IMPACT

Staff time and resources for the compilation of all the governmental body reports for presentation to the Authority.

No monetary impact is predicted at this time.

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

## PROPOSED PROVISO TEXT

104.10. (SFAA: P-Card Oversight) Using funds appropriated, no later than October 1, ~~2025~~ **2026**, the State Fiscal Accountability Authority, Division of Procurement Services (Division) shall publish and maintain a South Carolina Purchasing Card Policy and Procedures Manual (Manual) to establish sound practices for the use of purchasing cards (P-Cards) and for management oversight of such use to reduce the State's risk of P-Card misuse and fraud. The Division shall develop and provide training and testing on the requirements of the Manual and begin offering such training no later than October 15, ~~2025~~ **2026**. The director of each governmental body as defined in Section 11-35-310 employing P-card holders shall ensure the governmental body develops an agency-specific P-card use manual no later than April 1, ~~2026~~ **2027**. The director of each governmental body employing P-card holders shall ensure that every P-card holder and those with responsibility for implementation and oversight of its P-card program have completed the Division P-card training and successfully passed the Division P-card testing no later than April 15, ~~2026~~**2027**. The director of each governmental body employing P-card holders shall ensure that no supervisory or oversight of a P-card role shall be assigned nor new P-cards issued before such employees shall complete Division P-card training and successfully pass Division P-card testing.

The director of each governmental body employing P-card holders shall ensure the governmental body develops, implements, and provides the Division with documentation of an internal P-card annual training program for employees with supervisory or oversight of P-card programs and for all P-card holders. The director of each governmental body employing P-card holders shall obtain an annual compliance ~~audit~~ **review** of the governmental body's P-card program ~~conducted by an independent third-party entity qualified to conduct such an audit~~ **in accordance with guidance published by the Division** and shall provide ~~audit a~~ **report of the** results and corrective action plans, if any, to the Division no later than ~~October~~ **December 1, 2025-2026**. The Division shall compile **a summary of** all such audit report results into a single report and provide the report to the State Fiscal Accountability Authority (Authority) ~~at its first~~ **no later than its second** regularly scheduled meeting of each calendar year. In each audit of the procurement system of a governmental body pursuant to Section 11-35-1230, the Division shall also audit the governmental body's P-card program to determine whether internal controls of the governmental body's P-Card program are adequate to ensure compliance, in all material respects, with the Manual, applicable laws and regulations, and internal policies. The Division shall include its findings and recommendations in the audit report submitted to the Authority. The Authority shall impose administrative penalties for repeat or egregious violations of the Manual, including but not limited to, reduction or suspension of the governmental body's P-Card program, reduction in procurement certification granted pursuant to Section 11-35-1210, removal of authority to conduct sole source procurements, or directing that all or a portion of any P-Card rebates due the governmental body be deposited in the General Fund. The Authority is authorized to request in-person reports from governmental body leadership on corrective actions being taken to rectify such repeat or egregious violations of the Manual and may exempt any governmental body from any requirement of this proviso.

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

Agency Name:	State Fiscal Accountability Authority		
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## **FORM E – AGENCY COST SAVINGS AND GENERAL FUND REDUCTION CONTINGENCY PLAN**

<b>TITLE</b>	Form E
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<b>AMOUNT</b>	\$59,798
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*What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.*

<b>ASSOCIATED FTE REDUCTIONS</b>	1.0
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*How many FTEs would be reduced in association with this General Fund reduction?*

<b>PROGRAM / ACTIVITY IMPACT</b>	<p>The General Funds appropriated to the State Fiscal Accountability Authority provide the Personal Service, Employer Contributions and a small amount of Operating Costs for the Division of Procurement Service-Audit and Certification and the Office of the State Engineers services.</p>
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*What programs or activities are supported by the General Funds identified?*

<b>SUMMARY</b>	<p>A 3% reduction in the General Fund Appropriations may require a reduction in duties and/or the current level of service provided by the Division of Procurement Services Audit and Certification team and/or the Office of the State Engineer since the reduction may require a loss of an FTE.</p>
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*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 agency limits costs and operating growth in the General Fund Appropriations since the agency began in July of 2015. The number of FTEs supported by the General Fund remains at 18.5 since 2015. Funds are primarily used for Personal Service and Employer Contribution costs for two of five offices within the Division of Procurement Services, the Audit and Certification and the Office of the State Engineer. If the agency had to reduce the expenses by more than \$50,000, it may have to combine or discontinue some duties and reduce the current level of service by 1 FTE.

*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?*