AGENCY NAME:	SC Department of Social Services		
AGENCY CODE:	L040	SECTION:	38

Fiscal Year 2027-28
Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

	For FY 2027-28, my agency is (mark "X"):	
OPERATING REQUESTS *(FORM B1)*	X	Requesting General Fund Appropriations.
	X	Requesting Federal/Other Authorization.
		Not requesting any changes.
NON-RECURRING REQUESTS *(FORM B2)*	X	Requesting Non-Recurring Appropriations.
	X	Requesting Non-Recurring Federal/Other Authorization.
		Not requesting any changes.
CAPITAL REQUESTS *(FORM C)*		Requesting funding for Capital Projects.
	X	Not requesting any changes.
PROVISOS *(FORM D)*	X	Requesting a new proviso and/or substantive changes to existing provisos.
		Only requesting technical proviso changes (such as date references).
		Not requesting any proviso changes.

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

	Name	*Phone*	*Email*
PRIMARY CONTACT:	Evan Mitchell, CPA Director of Financial Planning and Analysis	(803) 898-2641	Evan.Mitchell@dss.sc.gov
SECONDARY CONTACT:	Susan Roben, CGFO Chief Financial Officer	803-898-7427	Susan.Roben@dss.sc.gov

I have reviewed and approved the enclosed FY 2027-28 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	Agency Director	*Board or Commission Chair*
SIGN/DATE:		
TYPE/PRINT NAME:	Tony Catone State Director	

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

Agency Name:	Department Of Social Services
Agency Code:	L040
Section:	38

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Supporting Children with Complex Needs and Placement Stability	55,456,520	19,629,328	762,815	0	75,848,663	21.23	9.16	5.61	0.00	36.00
2	B2 - Non-Recurring	Changes in Federal Funding Requirements for Benefits	70,000,000	0	0	0	70,000,000	0.00	0.00	0.00	0.00	0.00
3	B1 - Recurring	Changes in Federal Funding Requirements for Benefits	1,522,038	503,965	0	0	2,026,003	13.52	4.48	0.00	0.00	18.00
4	B1 - Recurring	Information Technology & Strategic Operations	3,825,101	1,932,753	219,276	0	5,977,130	2.56	1.30	0.14	0.00	4.00
5	B2 - Non-Recurring	Information Technology & Strategic Operations	13,656,632	6,763,534	773,381	0	21,193,547	0.00	0.00	0.00	0.00	0.00
6	B1 - Recurring	Enhancing Adult Protective Services and Maximizing Federal Resources	3,626,500	189,589	418,162	0	4,234,251	4.48	2.04	4.48	0.00	11.00
7	B1 - Recurring	Supporting Working Families and Strengthening Economic Mobility	20,500,000	469,313	0	0	20,969,313	0.00	4.00	0.00	0.00	4.00
8	B2 - Non-Recurring	South Carolina Strong Start Early Education Endowment	400,000,000	0	0	0	400,000,000	0.00	0.00	0.00	0.00	0.00
TOTALS			568,586,791	29,488,482	2,173,634	0	600,248,907	41.79	20.98	10.23	0.00	73.00

Agency Name:	Department Of Social Services		
Agency Code:	L040	Section:	38

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	**1**

Provide the Agency Priority Ranking from the Executive Summary.

TITLE	**Supporting Children with Complex Needs and Placement Stability**

Provide a brief, descriptive title for this request.

AMOUNT	**General: $55,456,520** **Federal: $19,629,328** **Other: $762,815** **Total: $75,848,663**

What is the net change in requested appropriations for FY 2027-2028? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	**36.00**

Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	**Mark "X" for all that apply:**
X	Change in cost of providing current services to existing program audience
X	Change in case load/enrollment under existing program guidelines
	Non-mandated change in eligibility/enrollment for existing program
	Non-mandated program change in service levels or areas
X	Proposed establishment of a new program or initiative
	Loss of federal or other external financial support for existing program
	Exhaustion of fund balances previously used to support program
X	IT Technology/Security related
X	HR/Personnel Related
	AI Related
	Related to a Non-Recurring request – If so, Priority #

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	**Mark "X" for primary applicable Statewide Enterprise Strategic Objective:**
	Education, Training, and Human Development
X	Healthy and Safe Families
	Maintaining Safety, Integrity, and Security
	Public Infrastructure and Economic Development
	Government and Citizens

ACCOUNTABILITY OF FUNDS	Goal 1; Strategy 1.2; Measure 1.2.1

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?

	South Carolina's youth with significant behavioral, mental health, and family stability

RECIPIENTS OF FUNDS

needs—as well as the foster families, providers, and child welfare staff who serve them.

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?

Placement and Behavioral Services – $30,639,101 Total Funds

State General Funds - $27,801,335

Federal Authorization - $2,837,766

Other Funds - $0

Funding is needed to continue providing and strengthening the array of placements and services available to youth experiencing complex behavioral and mental health needs, crisis, and placement instability. Funding will provide 24-hour care, trauma informed day services, and assessment and stabilization centers providing immediate and therapeutic support for children in crisis. The investment will support crisis response, assessment, and stabilization services designed to intervene earlier, prevent placement disruptions, and help children remain safely in the least restrictive and most appropriate setting. Funds will also support targeted behavioral initiatives such as the Teen Alternative Pathway, Professional Foster Parent Model, and Rapid Response Services. These settings and services will help DSS respond more effectively to children and families before needs escalate to a higher level of care or result in placement disruption. It will also provide additional options for children who cannot be safely or appropriately served in traditional settings, while strengthening support for caregivers and families working to maintain stability. These initiatives collectively enhance safety, treatment quality, and long-term outcomes for South Carolina's children and teens.

Foster Family Support - $5,700,000 Total Funds

State General Funds - $4,462,530

Federal Authorization - $1,237,470

Other Funds - $0

DSS seeks to strengthen the recruitment and retention of foster, kinship, and adoptive families by building a coordinated statewide support model. Annual surveys consistently identify lack of support as a primary reason families stop fostering or consider stopping, underscoring the need to invest not only in recruitment, but also in retention.

The proposed model will establish community-based support networks in each county, including regular foster, kinship, and adoptive family chapters, along with a resource portal that allows community partners to identify and respond quickly to the immediate and ongoing needs of children and families. These networks will also support prevention and reunification efforts with biological families and strengthen community engagement to recruit additional non-kin foster homes. This investment will help create a more responsive, connected, and sustainable system of support for children and families statewide.

JUSTIFICATION OF REQUEST

Foster Family Board Rate Increase – $5,675,946 Total Funds

State General Funds - $3,965,686

Federal Authorization - $1,710,260

Other Funds - $0

The agency reviews foster family board rates on an annual basis and adjusts as necessary to enable the monthly rates for regular foster care, Difficulty of Care Board Rate (DCBR) and kinship care to continue to meet the USDA cost of raising a child. This request is directly related to a Proviso change request for 38.14 (DSS: Family Foster Care Payments).

Social Security Benefit Replacement – $1,600,000 Total Funds

State General Funds - $1,600,000

Federal Authorization - $0

Other Funds - $0

The Administration for Children and Families (ACF) has encouraged states to adopt practices that conserve federal survivor benefits instead of using them to help pay for the costs of maintenance payments for children in foster care. The requested funding will allow DSS to discontinue the use of these survivor benefits for foster care maintenance expenses. This investment will allow eligible survivor benefits to be held for the child's use while in care and upon leaving foster care, consistent with emerging federal expectations.

Prevention and Family Stabilization – $13,765,771 Total Funds

State General Funds - $4,309,751

Federal Authorization - $9,454,764

Other Funds - $1,256

The agency is requesting additional resources to strengthen prevention and family stabilization support across the state. Investments will support the continued implementation and expansion of evidence-based and community-based interventions that help families remain safely together, promote timely reunification, improve placement stability, and reduce unnecessary foster care entry.

DSS has seen promising outcomes from its prevention efforts, with early analyses

showing low rates of foster care involvement following successful completion of services. Continued investment will allow DSS to expand access to evidence-based prevention services, leverage available federal Title IV-E prevention funding, increase the number of families served, and reduce the significant human and financial costs associated with foster care entry.

The request also supports continued modernization of child welfare training through professional video-based learning tools designed to provide case managers with more engaging, practical instruction and maximizing effective training of roles and responsibilities. Together, these investments will strengthen families earlier, improve workforce effectiveness, and support better outcomes for children and families statewide.

Child Welfare Salary Plan Administration Maintenance of Effort (MOE) - $14,610,020 Total Funds

State General Funds - $11,173,369

Federal Authorization - $3,436,651

Other Funds - $0

The requested FY27-28 MOE funding represents amounts required to continue to operate the Court approved plan under the Final Settlement Agreement in the Michelle H class action lawsuit. This also includes funding for the unfunded portions of statewide General Increases (GIs) absorbed since implementation, and the accelerated movement of staff to higher levels based on additional training and competencies to improve the workforce, which the Court has deemed necessary.

Child Welfare Staffing – $3,857,825 Total Funds; 36.00 FTEs

State General Funds - $2,143,849; 21.23 FTEs

Federal Authorization - $952,417; 9.16 FTEs

Other Funds - $761,559; 5.61 FTEs

Additional staffing is requested across Child Welfare to address rising caseloads, strengthen service capacity, and support timely, high-quality support for children and families. This request will expand the agency's ability to respond to children and youth with significant behavioral, mental health, developmental, and placement-related needs while strengthening oversight, assessment, case planning, licensing, investigations, family engagement, and workforce development.

These resources will help improve the timeliness and consistency of critical Child Welfare functions, enhance health care and behavioral health care coordination for complex cases, strengthen placement stability and safety, and support compliance with program requirement. The additional capacity will also improve coordination of care and better equip staff to respond to the increasingly complex needs of children, youth, and families served by 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.

Agency Name:	Department Of Social Services		
Agency Code:	L040	Section:	38

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY

3

Provide the Agency Priority Ranking from the Executive Summary.

TITLE

Changes in Federal Funding Requirements for Benefits

Provide a brief, descriptive title for this request.

AMOUNT

General: $1,522,038

Federal: $503,965

Other: $0

Total: $2,026,003

What is the net change in requested appropriations for FY 2027-2028? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS

18.00

Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST

Mark "X" for all that apply:	
X	Change in cost of providing current services to existing program audience
	Change in case load/enrollment under existing program guidelines
	Non-mandated change in eligibility/enrollment for existing program
	Non-mandated program change in service levels or areas
	Proposed establishment of a new program or initiative
X	Loss of federal or other external financial support for existing program
	Exhaustion of fund balances previously used to support program
	IT Technology/Security related
X	HR/Personnel Related
	AI Related
X	Related to a Non-Recurring request – If so, Priority # 2

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES

Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	Education, Training, and Human Development
X	Healthy and Safe Families
	Maintaining Safety, Integrity, and Security
	Public Infrastructure and Economic Development
	Government and Citizens

ACCOUNTABILITY OF FUNDS

Goal 2; Strategy 2.1; Measure 2.1.2

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?

Staff supporting the operations of the SNAP program.

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	**SNAP Quality Control, Accuracy, and Accountability Staffing - $2,026,003 Total Funds; 18.00 FTEs** State General Funds - $1,522,038; 13.52 FTEs Federal Authorization - $503,965; 4.48 FTEs Other Funds - $0; 0 FTEs The agency is requesting additional FTEs to strengthen SNAP program integrity, improve payment accuracy, enhance quality control, and support new federal and state financial reconciliation requirements. The requested positions will support additional case reviews to promote efficient and effective administration and operation of the SNAP program, with a focus on the discretely identified primary drivers of South Carolina's payment error rate (PER), including wages and salaries, shelter deductions, and household composition. Earlier identification and correction of discrepancies will improve case accuracy, strengthen accountability, and are especially critical this year with the unprecedented federal law changes to the SNAP program under H.R. 1, the One Big Beautiful Bill Act (OBBBA) to minimize preventable/controllable risks, and help mitigate the risk of the state being responsible for funding anywhere from 5% to 15% of SNAP benefits, which would represent between approximately $70 million and $210 million in new state spending requirements beginning in October 2027. Additional supervisory and analytical capacity will also support staff training, federal reporting, trend analysis, case completion, and continuous improvement. The request will also provide dedicated resources to implement and manage the new operational financial responsibilities associated with H.R.1 in Federal Fiscal Year 2028. States were informed in late summer 2026 by the federal government that the underlying process for issuing benefits would need to be overhauled to account for the changes in SNAP under OBBBA. This work will include changing the State's funding mechanism for EBT issuance, performing daily and monthly reconciliations of actual benefit issuance to the State share owed (if any), accounting for issuance adjustments, and developing the financial controls and procedures necessary to support the new cost-sharing structure. Together, these positions will strengthen the operational, quality assurance, and financial infrastructure needed to improve SNAP accuracy, comply with emerging federal requirements, and reduce the State's potential financial exposure associated with payment error rates and future SNAP benefit cost sharing.

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.

Agency Name:	Department Of Social Services		
Agency Code:	L040	Section:	38

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY

4

Provide the Agency Priority Ranking from the Executive Summary.

TITLE

Information Technology & Strategic Operations

Provide a brief, descriptive title for this request.

AMOUNT

General: $3,825,101

Federal: $1,932,753

Other: $219,276

Total: $5,977,130

What is the net change in requested appropriations for FY 2027-2028? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS

4.00

Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST

Mark "X" for all that apply:	
X	Change in cost of providing current services to existing program audience
	Change in case load/enrollment under existing program guidelines
	Non-mandated change in eligibility/enrollment for existing program
	Non-mandated program change in service levels or areas
	Proposed establishment of a new program or initiative
	Loss of federal or other external financial support for existing program
	Exhaustion of fund balances previously used to support program
X	IT Technology/Security related
X	HR/Personnel Related
	AI Related
X	Related to a Non-Recurring request – If so, Priority # 5

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES

Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	Education, Training, and Human Development
X	Healthy and Safe Families
	Maintaining Safety, Integrity, and Security
	Public Infrastructure and Economic Development
	Government and Citizens

ACCOUNTABILITY OF FUNDS

This funding is distributed throughout the agency and supports each strategy outlined in the accountability report.

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?

Information technology and professional service providers/contractors.

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?

Consulted DTO during development

Microsoft Licensing, Support, and Communications – $4,883,835 Total Funds

State General Funds - $3,122,578

Federal Authorization - $1,585,928

Other Funds - $175,329

Funding is needed to maintain the department's Microsoft enterprise services that support agencywide operations. These services include Microsoft 365 productivity and collaboration tools, email, identity and access management, cybersecurity and compliance capabilities, endpoint management, enterprise telephony through Microsoft Teams Phone, and technical support.

Continued investment is necessary to maintain existing licensing and support the department's transition to a standardized cloud-based communications platform. Funding will also provide enterprise-level technical support for complex incidents and service disruptions, helping reduce operational risk and improve resolution times for critical systems. These investments will help DSS maintain reliable, secure, and modern technology services that are essential to daily agency operations and continued digital modernization.

Key Technology and Operational Needs - $447,420 Total Funds

State General Funds - $289,570

Federal Authorization - $137,090

Other Funds - $20,760

This request supports critical agency infrastructure, operations, fraud investigations, and enterprise technology services needed to improve efficiency, reduce operational risk, and maintain continuity of services statewide. Funding will support centralized policy governance, outside redaction services to reduce administrative burden, reliable mobile connectivity for the field, and a dedicated case management system to strengthen fraud investigative tracking and reporting.

This request also strengthens the agency's technology environment through secondary satellite connectivity and dedicated vendor technical support for the

JUSTIFICATION OF REQUEST

statewide network. Together, these investments will improve operational resilience, enhance staff productivity, support more consistent oversight and compliance, and help ensure employees have reliable access to the systems and information needed to carry out critical DSS functions.

Cyber Liability Insurance - $134,374 Total Funds

State General Funds - $85,915

Federal Authorization - $43,635

Other Funds - $4,824

Funding is also requested for a cyber liability insurance policy as advised by the Department of Administration. In today's digital landscape, the threat of cyberattacks is not a matter of if, but when. As stewards of sensitive data and critical infrastructure, our agency faces increasing exposure to cyber risks that could result in significant financial, operational, and reputational damage. Funding for cyber liability insurance is not just a prudent investment—it is a strategic necessity.

Cyber liability insurance provides a financial safety net in the event of a data breach, ransomware attack, or other cyber incident. It covers costs that can quickly escalate, including legal fees, forensic investigations, data restoration, regulatory fines, and notification requirements. Without this coverage, the agency would be forced to absorb these costs directly, diverting funds from mission critical programs and services.

Technology Services Staffing – $511,501 Total Funds; 4.00 FTEs

State General Funds - $327,038; 2.56 FTEs

Federal Authorization - $166,100; 1.30 FTEs

Other Funds - $18,363; 0.14 FTEs

Additional Technology Services staffing will strengthen the Department's internal capacity to support endpoint services, manage technology projects, and coordinate large-scale deployments across DSS locations statewide. These resources will provide day-to-day technical support, lead and coordinate desktop, phone, and equipment deployments, support office moves and endpoint refreshes, manage project schedules and vendors, and address escalated technical issues.

Building this capacity internally will improve service consistency, project coordination, and deployment timelines while reducing reliance on outside contractors. It will also help retain critical technical knowledge within DSS and provide more sustainable support for ongoing and future technology initiatives.

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.

Agency Name:	Department Of Social Services		
Agency Code:	L040	Section:	38

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY

6

Provide the Agency Priority Ranking from the Executive Summary.

TITLE

Enhancing Adult Protective Services and Maximizing Federal Resources

Provide a brief, descriptive title for this request.

AMOUNT

General: $3,626,500

Federal: $189,589

Other: $418,162

Total: $4,234,251

What is the net change in requested appropriations for FY 2027-2028? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS

11.00

Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST

Mark "X" for all that apply:	
X	Change in cost of providing current services to existing program audience
	Change in case load/enrollment under existing program guidelines
	Non-mandated change in eligibility/enrollment for existing program
	Non-mandated program change in service levels or areas
	Proposed establishment of a new program or initiative
	Loss of federal or other external financial support for existing program
	Exhaustion of fund balances previously used to support program
	IT Technology/Security related
X	HR/Personnel Related
	AI Related
	Related to a Non-Recurring request – If so, Priority #

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES

Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	Education, Training, and Human Development
X	Healthy and Safe Families
	Maintaining Safety, Integrity, and Security
	Public Infrastructure and Economic Development
	Government and Citizens

ACCOUNTABILITY OF FUNDS

Goal 2; Strategy 2.1; Measure 2.1.1

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?

RECIPIENTS OF

Adult Protective Services (APS) protects the health and welfare of elderly, disabled and vulnerable adults who are 18 or older and victims of actual, or potential abuse, neglect, self-neglect or exploitation.

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	**Medicaid Administrative Activities State Matching Funds - $3,208,338 Total Funds** State General Funds - $3,208,338 Federal Authorization - $0 Other Funds - $0 State matching funds provide a direct opportunity to leverage federal Medicaid administrative reimbursement for eligible Adult Protective Services (APS) case management activities. Each state dollar invested helps unlock federal funding that would otherwise remain unavailable, allowing the agency to stretch limited state resources further and support critical APS operations. Without sufficient state match, South Carolina risks leaving federal dollars on the table and places greater pressure on state funds and other capped federal resources. **Adult Protective Services Staffing – $1,025,913 Total Funds; 11.00 FTEs** State General Funds - $418,162; 4.48 FTEs Federal Authorization - $189,589; 2.04 FTEs Other Funds - $418,162; 4.48 FTEs APS county offices are experiencing high caseloads, particularly in Richland, Greenville, Charleston, and Lexington/Saluda, creating challenges in providing timely, safe, and effective services to vulnerable adults. Adding case management capacity will stabilize workloads, strengthen supervisory support, and improve the quality and consistency of services statewide. Enhanced administrative capacity will also support more accurate and timely Medicaid and Social Security applications, helping vulnerable adults gain faster access to essential medical and long term care services.

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.

Agency Name:	Department Of Social Services		
Agency Code:	L040	Section:	38

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	**7**

Provide the Agency Priority Ranking from the Executive Summary.

TITLE	**Supporting Working Families and Strengthening Economic Mobility**

Provide a brief, descriptive title for this request.

AMOUNT	**General: $20,500,000** **Federal: $469,313** **Other: $0** **Total: $20,969,313**

What is the net change in requested appropriations for FY 2027-2028? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	**4.00**

Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST

Mark "X" for all that apply:	
X	Change in cost of providing current services to existing program audience
X	Change in case load/enrollment under existing program guidelines
	Non-mandated change in eligibility/enrollment for existing program
	Non-mandated program change in service levels or areas
	Proposed establishment of a new program or initiative
X	Loss of federal or other external financial support for existing program
	Exhaustion of fund balances previously used to support program
	IT Technology/Security related
X	HR/Personnel Related
	AI Related
	Related to a Non-Recurring request – If so, Priority #

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES

Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	Education, Training, and Human Development
X	Healthy and Safe Families
	Maintaining Safety, Integrity, and Security
	Public Infrastructure and Economic Development
	Government and Citizens

ACCOUNTABILITY OF FUNDS	Goal 2; Strategy 2.1; Measure 2.1.2 Goal 2; Strategy 2.2; Measure 2.2.1

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?

	Child care providers licensed or regulated by the agency on behalf of working families

RECIPIENTS OF FUNDS

and SNAP recipients needing Employment and Training assistance/services.

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

Child Care Scholarships for SC Working Families - $20,000,000 Total Funds

State General Funds - $20,000,000

Federal Authorization - $0

Other Funds - $0

The agency requests $20 million in funding to provide child care scholarships for families whose income is 55% of the State Median Income or below ($49,189 or less for a family of three). For the State Fiscal Year 2026, the Child Care Scholarship program served 50,304 children with Child Care Development Fund (CCDF). As of December 2025, the CCDF funded child care scholarships had to be reduced in order to stay within the annual Federal allocation of CCDF Discretionary funding. These additional state funds will allow DSS to provide child care scholarships for an estimated 2,105 children per year. Scholarships would be made available on a first-come, first-served basis. Providers must participate in the state's voluntary ABC Quality program to accept these scholarships.

SNAP Employment & Training - $500,000 Total Funds

State General Funds - $500,000

Federal Authorization - $0

Other Funds - $0

The SNAP Employment and Training program (E&T) equips participants with the skills and support needed to increase their income and reduce reliance on SNAP benefits.

South Carolina's E&T program model continues to be regarded nationally as a leading model in the field, which has drawn other jurisdictions to request technical assistance and guidance in developing and implementing their programs. However, funding for the program is decreasing.

Meanwhile, participation in the SNAP E&T program increased by nearly 14% in South Carolina in FFY2026. South Carolina continues to serve significantly more participants with less funding and anticipates an operating deficit as the program continues to expand and costs continue to increase.

With the FFY2027 federal allocation decreasing, additional funding will help maintain strong services, preserve critical program positions, and keep innovative tools like the mobile unit fully operational. Supplemental support will allow the program to continue delivering high quality services that align with national best practices and support

participant success.

The $500,000 in additional state funding will be matched with $250,000 in federal SNAP E&T funding, representing a federal match of 50% of the state's investment under this program.

Child and Adult Care Food Program (CACFP) Staffing - $469,313 Total Funds; 4.00 FTEs

State General Funds - $0; 0 FTEs

Federal Authorization - $469,313; 4.00 FTEs

Other Funds - $0; 0 FTEs

The complexities of serving meals which meet CACFP requirements have increased due to changes to the meal pattern. In addition, the expansion of the program within SC has highlighted a need for additional federally-funded staff to provide the necessary training and technical assistance around timely and accurate processing of applications to newly approved institutions and previously participating institutions experiencing staff changes. In addition, new CACFP federal regulations (7 CFR 226.7(b)(1) and 7 CFR 226.7(g)(2)) were recently issued and include additional requirements for State agency financial management, prompting the need for additional FTEs, all of which will be 100% federally funded.

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.

Agency Name:	Department Of Social Services		
Agency Code:	L040	Section:	38

FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY

2

Provide the Agency Priority Ranking from the Executive Summary.

TITLE

Changes in Federal Funding Requirements for Benefits

Provide a brief, descriptive title for this request.

AMOUNT

$70,000,000

What is the net change in requested appropriations for FY 2027-2028? 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:	
	Change in cost of providing current services to existing program audience
	Change in case load/enrollment under existing program guidelines
	Non-mandated change in eligibility/enrollment for existing program
	Non-mandated program change in service levels or areas
	Proposed establishment of a new program or initiative
X	Loss of federal or other external financial support for existing program
	Exhaustion of fund balances previously used to support program
	IT Technology/Security related
	AI Related
	HR/Personnel Related
X	Request for Non-Recurring Appropriations
	Request for Federal/Other Authorization to spend existing funding
X	Related to a Recurring request – If so, Priority # 3

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES

Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	Education, Training, and Human Development
X	Healthy and Safe Families
	Maintaining Safety, Integrity, and Security
	Public Infrastructure and Economic Development
	Government and Citizens

ACCOUNTABILITY OF FUNDS

Goal 3; Strategy 3.1; Measure 3.1.1

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?

RECIPIENTS OF FUNDS

Eligible, low-income households in need of supplemental nutrition assistance.

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

Changes in Federal Funding Requirements for Benefits - 70,000,000 Total Funds

State General Funds - $70,000,000

Federal Authorization - $0

Other Funds - $0

On July 4, 2025, President Donald Trump signed into law H.R.1, the One Big Beautiful Bill Act (OBBBA). The OBBBA is a comprehensive budget reconciliation bill, with impacts on taxation, border security, energy, and other sectors, including the Supplemental Nutrition Assistance Program (SNAP).

The most significant change to SNAP requires states to pay a portion of the federal benefits if their federally computed payment error rate (PER) is 6% or higher. SNAP benefit payments have been 100% federally funded since the permanent Food Stamp Program was established by the Food Stamp Act of 1964 and not included in the state's budget. It is estimated that unless South Carolina achieves and maintains a payment error rate of less than 6%, approximately $70 million per year in state funds will be needed to meet the new state matching requirement beginning October 1, 2027. All program eligibility requirements are set by USDA. States do not have the flexibility to reduce caseloads or otherwise control costs in order to lower the state's match requirement.

The department is requesting $70M in non-recurring state funding as a placeholder/contingent obligation beginning in SFY 27-28. The actual amount required for SFY 27-28 (if any) will depend on South Carolina's FFY 2026 federally adjusted PER (which will not be finalized/published by the federal government until June of 2027, one month before the beginning of SFY 27-28) as well as the total SNAP benefit issuance amounts for the FFY beginning October 1, 2027.

Because SNAP benefits represent a significant annual expenditure, even a relatively small state cost-sharing percentage could result in a substantial new General Fund obligation. Establishing funding capacity in advance will help the State prepare to meet any new obligations under this new federal requirement, should SC's federally adjusted PER exceed 5.99% for FFY 26, while continuing to provide uninterrupted SNAP benefits to eligible South Carolinians.

Before OBBBA, SNAP payment accuracy accountability was fundamentally benchmarked against national performance: a State generally faced potential PER liability only when its error rate, with statistical confidence, exceeded 105% of the national performance measure for a second or subsequent consecutive year. OBBBA replaced that relative-performance concept for benefit cost sharing with fixed national thresholds of 6%, 8%, and 10%.

This major change in the federal accountability standard is particularly important for South Carolina. A rate such as SC's FFY2025 8.80%, while certainly something USDA would expect the State to improve, was below the FY2025 national rate of 10.62%. Under the traditional QC liability structure, an 8.80% rate against a 10.62% national measure would have been nowhere near the traditional 105%-of-national trigger (about 11.15%).

Under OBBBA, however, that same 8.80% would have placed the State squarely in the 10% State benefit-cost-share tier, which (if FFY25 had been the measurement year, which is fortunately not the case) could have resulted in approximately $140M in new state dollars being required to pay SNAP benefits.

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.

Agency Name:	Department Of Social Services		
Agency Code:	L040	Section:	38

FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY

5

Provide the Agency Priority Ranking from the Executive Summary.

TITLE

Information Technology & Strategic Operations

Provide a brief, descriptive title for this request.

AMOUNT

$21,193,547

What is the net change in requested appropriations for FY 2027-2028? 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:	
X	Change in cost of providing current services to existing program audience
	Change in case load/enrollment under existing program guidelines
	Non-mandated change in eligibility/enrollment for existing program
	Non-mandated program change in service levels or areas
	Proposed establishment of a new program or initiative
	Loss of federal or other external financial support for existing program
	Exhaustion of fund balances previously used to support program
X	IT Technology/Security related
	AI Related
	HR/Personnel Related
X	Request for Non-Recurring Appropriations
	Request for Federal/Other Authorization to spend existing funding
X	Related to a Recurring request – If so, Priority # 4

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES

Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	Education, Training, and Human Development
X	Healthy and Safe Families
	Maintaining Safety, Integrity, and Security
	Public Infrastructure and Economic Development
	Government and Citizens

ACCOUNTABILITY OF FUNDS

This funding is distributed throughout the agency and supports each strategy outlined in the accountability report.

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?

RECIPIENTS OF FUNDS

Information technology and professional service providers/contractors.

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

Consulted DTO during development

End-User Equipment Refresh - $14,855,172 Total Funds

State General Funds - $9,497,951

Federal Authorization - $4,823,920

Other Funds - $533,301

The agency requests funding to complete the enterprise end-user computing refresh. The request will fund the replacement of aging workstation equipment, including computers, monitors, keyboards and mice, carrying cases, deployment services, warehousing and transportation, removal and decommissioning of existing equipment, and certified data sanitization.

This investment is necessary to maintain a reliable, secure, and supportable technology environment for agency staff. Replacing devices on a defined lifecycle reduces hardware failures, performance issues, and the operational and cybersecurity risks associated with aging or unsupported equipment. Standardizing the agency's workstation fleet will also improve device management, security configuration, software compatibility, warranty support, and the efficiency of ongoing technical support.

Funding this initiative will enable the agency to systematically replace aging technology, maintain appropriate security and supportability standards, and maintain proper management of both new and retired equipment throughout the full equipment lifecycle.

Critical Systems Continuity and Support - $2,772,000 Total Funds

State General Funds - $1,772,334

Federal Authorization - $900,151

Other Funds - $99,515

Funding is essential to maintain the security, stability, and operational reliability of critical aging applications while the agency continues its modernization efforts. These resources support essential vendor maintenance, security patches, software updates, licensing, hosting, and specialized technical expertise required to sustain these systems and address emerging risks.

Investment in these applications will reduce the likelihood of system outages, service disruptions, and cybersecurity vulnerabilities associated with aging technology. Maintaining appropriate support until modernization is complete is essential to preserving business continuity and allowing the agency to continue delivering critical services without interruption.

Network Infrastructure Refresh - $2,416,707 Total Funds

State General Funds - $1,545,170

Federal Authorization - $784,777

Other Funds - $86,760

Funding is requested to modernize network infrastructure across approximately 70 South Carolina Department of Social Services offices. The request includes firewalls, switches, and wireless access points; specialized implementation support; and five years of required licensing, security subscriptions, cloud management, and vendor support. The new environment will replace aging infrastructure and provide a standardized, secure, and more reliable network platform statewide.

This investment will improve network performance and resiliency, strengthen cybersecurity protections, reduce the risk of service disruption, and improve centralized management and support. The request also includes temporary technical expertise to support deployment and knowledge transfer to internal staff, helping promote consistent implementation and effective maintenance over its expected seven-year lifecycle.

County Office Furniture and Relocation Support - $1,149,668 Total Funds

State General Funds - $841,177

Federal Authorization - $254,686

Other Funds - $53,805

Funding is needed to purchase standardized furniture for upcoming DSS county office relocations, including the new Richland County DSS Family Services Center. The required investment will support the timely outfitting of relocated office space and provide staff with functional, durable, and appropriate work environments to support ongoing agency operations. All furniture selections will adhere to the agency's approved standards, promoting consistency across DSS locations while improving durability, procurement efficiency, and long-term cost effectiveness.

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.

Agency Name:	Department Of Social Services		
Agency Code:	L040	Section:	38

FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY

8

Provide the Agency Priority Ranking from the Executive Summary.

TITLE

South Carolina Strong Start Early Education Endowment

Provide a brief, descriptive title for this request.

AMOUNT

$400,000,000

What is the net change in requested appropriations for FY 2027-2028? 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:	
X	Change in cost of providing current services to existing program audience
	Change in case load/enrollment under existing program guidelines
	Non-mandated change in eligibility/enrollment for existing program
	Non-mandated program change in service levels or areas
X	Proposed establishment of a new program or initiative
X	Loss of federal or other external financial support for existing program
	Exhaustion of fund balances previously used to support program
	IT Technology/Security related
	AI Related
	HR/Personnel Related
X	Request for Non-Recurring Appropriations
	Request for Federal/Other Authorization to spend existing funding
	Related to a Recurring request – If so, Priority #

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES

Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	Education, Training, and Human Development
X	Healthy and Safe Families
	Maintaining Safety, Integrity, and Security
	Public Infrastructure and Economic Development
	Government and Citizens

ACCOUNTABILITY OF FUNDS

Goal 2; Strategy 2.2; Measure 2.2.1

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?

RECIPIENTS OF FUNDS

Child care providers licensed or regulated by the agency on behalf of working families.

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	**South Carolina Strong Start Early Education Endowment - $400,000,000 Total Funds** State General Funds - $400,000,000 Federal Authorization - $0 Other Funds - $0 The department requests funding to establish a permanent endowment supporting children ages 0-5 and their families. The fund would expand access to affordable, high-quality child care for working families who may not qualify for existing child care scholarships, while also strengthening the availability and capacity of licensed and registered child care providers. Investment earnings from the endowment would support child care scholarships, start-up and expansion grants for providers to help establish new centers or to increase capacity to serve children with an emphasis on access to care for infants and toddlers, professional development and workforce supports for early education professionals, and targeted, one-time grants for facility improvements that allow child care centers to increase capacity to serve infants and toddlers. The principal would be invested and managed outside the department, creating a sustainable long-term funding source that can grow over time through additional appropriations or other philanthropic contributions. This investment would strengthen South Carolina's early care and education infrastructure, support workforce participation and economic growth, and provide families with greater access to safe, quality child care.

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.

Agency Name:	Department Of Social Services		
Agency Code:	L040	Section:	38

FORM D – PROVISO REVISION REQUEST

NUMBER	38.14

Cite the proviso according to the renumbered list (or mark "NEW").

TITLE	Family Foster Care Payments

Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM	II. Foster Family Care Payments

Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	Priority 1 – Supporting Children with Complex Needs and Placement Stability

Is this request associated with a budget request you have submitted for FY 2027-2028? If so, cite it here.

REQUESTED ACTION	Amend

Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	None

Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	This proviso was first adopted in FY2002-2003. The rates in this proviso are amended annually as needed based on inflation, to provide funding for the basic needs of foster children, including kinship care assistance. **Ages – Old Rate** 0-5 $733 Per Month 6-12 $856 Per Month 13+ $904 Per Month

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

This amendment would result in an increase in the amount foster parents receive for the needs of foster children in their care, and it would continue to meet the US Department of Agriculture cost of raising a child study.

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

The Department of Social Services shall furnish as Family Foster Care payments for individual foster children under their sponsorship and under kinship care:

Ages 0-5 ~~$733~~ **$763** per month

Ages 6-12 ~~$856~~ **$892** per month

Ages 13+ ~~$904~~ **$942** per month

These specified amounts are for the basic needs of the foster children to include kinship care assistance. Basic needs within this proviso are identified as food (at home and away), clothing, housing, transportation, education, and other costs as defined in the U.S. Department of Agriculture study of the Annual Cost of Raising a Child to Age Eighteen. Further, each agency shall identify and justify, as another line item, all material and/or services, in excess of those basic needs listed above, which were a direct result of a professional agency evaluation of clientele need. Legitimate medical care in excess of Medicaid reimbursement or such care not recognized by Medicaid may be considered as special needs if approved by the sponsoring/responsible agency and shall be reimbursed by the sponsoring agency in the same manner of reimbursing other special needs of foster children.

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

Agency Name:	Department Of Social Services		
Agency Code:	L040	Section:	38

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

TITLE	Agency Cost Savings and General Fund Reduction Contingency Plan
AMOUNT	$11,435,787 *What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.*
ASSOCIATED FTE REDUCTIONS	63.85 *How many FTEs would be reduced in association with this General Fund reduction?*
PROGRAM / ACTIVITY IMPACT	To meet a three percent reduction in general funds expenditures, DSS would reduce active contracts, excluding those under which services are delivered directly to clients. The agency would also execute a two-week furlough of all staff whose compensation is $50,000 or more. Lastly, DSS would eliminate its current forecasted vacant positions, excluding frontline child welfare case managers, and frontline economic service eligibility workers. *What programs or activities are supported by the General Funds identified?*
SUMMARY	**3% Reduction State General Funds Reduction $11,435,787 Total Funds (100% State Funds)** Description of Reduction Amount: 1. Contract Reductions $4,187,919 2. Furlough staff making $50,000 and over for 10 days $2,363,390 3. Eliminate forecasted vacant positions, except frontline child welfare case managers, and frontline economic service eligibility workers $4,884,478 The reduction of these contracts would hinder the agency's ability to continue to perform certain services necessary for the proper administration of DSS. The furlough of staff whose compensation is $50,000 or more would put a strain on those staff that may need to continue the workload during the furlough period, along with a strain on their families. The elimination of current forecasted vacant positions, excluding frontline child welfare case managers and frontline economic service eligibility workers would put a heavier burden on current staff who are already absorbing an increased workload, thus creating a significant impact on service delivery to agency clients.

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

N/A

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?

Agency Name:	Department Of Social Services		
Agency Code:	L040	Section:	38

FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	DSS – Reducing Cost and Burden to Businesses and Citizens

Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	See narratives with amounts below

What is the expected savings to South Carolina's businesses and citizens that is generated by this proposal? The savings could be related to time or money.

FACTORS ASSOCIATED WITH THE REQUEST	**Mark "X" for all that apply:**
	Repeal or revision of regulations.
	Reduction of agency fees or fines to businesses or citizens.
	Greater efficiency in agency services or reduction in compliance burden.
X	Other

METHOD OF CALCULATION	N/A

Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.

REDUCTION OF FEES OR FINES	Elimination of background check fees for child care providers will continue.

Which fees or fines does the agency intend to reduce? What was the fine or fee revenue for the previous fiscal year? What was the associated program expenditure for the previous fiscal year? What is the enabling authority for the issuance of the fee or fine?

REDUCTION OF REGULATION	N/A

Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

The South Carolina Department of Social Services (DSS or agency), one of the largest state government agencies in South Carolina, provides a vast array of critical services to a wide range of South Carolinians facing complex and often urgent needs. The agency operates an integrated service delivery method of county level offices and regional operation hubs. This framework is anchored at the state level which provides centralized support, and performance accountability measures. To fulfill its mission, the agency works closely with and relies on other state agencies, community based non-profit organizations and other partners.

Beyond the high-profile work done in the areas of Child Welfare and Adult Protective Services, the agency also serves as the state's administrator of programs that provide financial and employment assistance to families in need. This includes the Supplemental Nutrition Assistance Program (SNAP) and the Temporary Assistance to Needy families (TANF) program. The agency also oversees the licensure, regulation, and quality assurance of childcare providers statewide. This includes the management of a tiered, quality-based, rating system.

DSS also maintains and operates the statewide infrastructure for the collection and disbursement of Child Support payments, ensuring timely and accurate financial support for South Carolina families.

All DSS employees are prepared to support state-wide shelter operations during natural

SUMMARY

disasters and/or upon direction from the Governor, underscoring the agency's vital role in South Carolina's emergency response framework.

The agency stopped charging child care centers for background check fees, effective with the 2021-2022 fiscal year, and this practice continues. This has reduced the burden on these centers by approximately $364,000 in FFY26.

Early Care and Education successfully implemented the prospective payment process for childcare scholarships to pay providers in advance of service delivery to further promote and streamline family access to child care.

Economic Services processed more than 329,000 applications for SNAP and TANF assistance in SFY 2026. The average number of applications received per week during this time was 6,102. In a typical week prior to COVID-19, the agency received about 4,800 applications per week which reflects an ongoing volume of 127% of 2019 application levels. The division also maintained a timeliness rate for SNAP application processing of 91%-95% throughout SFY26.

The Healthy Bucks program provides coupons allowing SNAP recipients to obtain additional fresh fruits and vegetables when purchasing fresh produce at grocery stores or farmers markets with SNAP benefits through their EBT cards. Each coupon allows the recipient to double the amount of produce purchased. The agency has 56 vendors in 34 counties in 2026.

The Child Support Services Division (CSSD) continues to collect money for clients efficiently. In fact, CSSD was the 4th most cost-effective child support program in the United States for the most recent federal fiscal year and collected $7.77 for every $1 in program costs. In addition to improvement in cost-effectiveness, the division improved in all other Federal Performance Measures.

The CSSD division has received over 61,293 online applications through the Online Application Portal, which represents more than 85% of all applications received. By leveraging technology, CSSD can process applications more effectively and efficiently.

Provide an explanation of the proposal and its positive results on businesses or citizens. How will the request affect agency operations?