

AGENCY NAME:  
AGENCY CODE:

Office of the State Inspector General (SIG)  
D250 SECTION: 94



**Fiscal Year 2020-21  
Agency Budget Plan**

**FORM A - BUDGET PLAN SUMMARY**

**OPERATING  
REQUESTS  
(FORM B1)**

**For FY 2020-21, my agency is (mark "X"):**

- Requesting General Fund Appropriations.  
 Requesting Federal/Other Authorization.  
 Not requesting any changes.

**NON-RECURRING  
REQUESTS  
(FORM B2)**

**For FY 2020-21, my agency is (mark "X"):**

- Requesting Non-Recurring Appropriations.  
 Requesting Non-Recurring Federal/Other Authorization.  
 Not requesting any changes.

**CAPITAL  
REQUESTS  
(FORM C)**

**For FY 2020-21, my agency is (mark "X"):**

- Requesting funding for Capital Projects.  
 Not requesting any changes.

**PROVISOS  
(FORM D)**

**For FY 2020-21, my agency is (mark "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.

	<i>Name</i>	<i>Phone</i>	<i>Email</i>
<b>PRIMARY CONTACT:</b>	George R. Davis	803-896-4732	<a href="mailto:georgedavis@oig.sc.gov">georgedavis@oig.sc.gov</a>
<b>SECONDARY CONTACT:</b>	Brian D. Lamkin	803-896-1287	<a href="mailto:brianlamkin@oig.sc.gov">brianlamkin@oig.sc.gov</a>

I have reviewed and approved the enclosed FY 2020-21 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

**SIGN/DATE:** *Brian D. Lamkin* 9/14/2019 **Board or Commission Chair** N/A

**TYPE/PRINT NAME:** Brian D. Lamkin

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

Fiscal Year 2020-21 Budget Request Executive Summary

Agency Code: D250  
 Agency Name: Office Of Inspector General  
 Section: 94

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Information Technology Needs	3,918				3,918					0.00
2	B1 - Recurring	Increased Office Lease Cost and Increased Office Space Need	18,547				18,547					0.00
3	B1 - Recurring	Health Insurance Adjustment-Number of Covered Employees	6,873				6,873					0.00
4	B1 - Recurring	Employee Training and Training-Related Travel	4,800				4,800					0.00
5							0					0.00
6							0					0.00
7							0					0.00
8							0					0.00
9							0					0.00
10							0					0.00
11							0					0.00
12							0					0.00
13							0					0.00
14							0					0.00
15							0					0.00
16							0					0.00
17							0					0.00
18							0					0.00
19							0					0.00
20							0					0.00
21							0					0.00
22							0					0.00
23							0					0.00
24							0					0.00
25							0					0.00
26							0					0.00
27							0					0.00
28							0					0.00
29							0					0.00
30							0					0.00
TOTAL BUDGET REQUESTS			34,138	0	0	0	34,138	0.00	0.00	0.00	0.00	0.00

<b>AGENCY NAME:</b>	Office of the State Inspector General (SIG)		
<b>AGENCY CODE:</b>	D250	<b>SECTION:</b>	94

**FORM B1 – RECURRING OPERATING REQUEST**

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

<b>TITLE</b>	<b>Information Technology Needs</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$ 3,918</b> <b>Federal:</b> <b>Other:</b> <b>Total: \$ 3,918</b>
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*What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	N/A
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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 type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

<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>AGENCY NAME:</b>	<b>Office of the State Inspector General (SIG)</b>		
<b>AGENCY CODE:</b>	<b>D250</b>	<b>SECTION:</b>	<b>94</b>

**ACCOUNTABILITY OF FUNDS**

The addition of these funds supports all of the Agency’s activities including the Agency’s investigative efforts and general operations under the Statewide Enterprise Strategic Objectives of “Maintaining Safety, Integrity and Security” (Strategies no. 1.1, 1.2, 2.1). This request supports all activities of the Agency and is evaluated through the overall performance of the Agency in assuring integrity within Executive Branch agencies through its investigations and reviews; identifying waste in Executive Branch agencies; and assisting the public in receiving and addressing complaints concerning Executive Branch agencies.

*What specific strategy, as outlined in the FY 2019-20 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**

The funds will be disbursed to state contract vendors who have provided software to the SIG, and the Division of Technology Operations (DTO) for the mobile device management service.

*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**

This request seeks an increase in appropriation for two information technology items.

The first item is funding for the purchase of updates to certain software and the renewal of other software that was purchased on a subscription basis, where it previously had been purchased on a one-time basis. The cost of the updates and subscriptions is \$3,330 annually. Maintaining up-to-date software assures the availability of technical support and avoids incompatibility situations between older application software and operating systems such as Windows 10, which is routinely updated.

The second item is funding for the purchase of the mobile device management service offered through DTO. The cost of the service is \$588 annually. The service will assure the SIG’s devices are configured according the SIG policies and bring the SIG into compliance with several information security and privacy state standards.

Software updates and subscription renewals	\$ 3,330
Mobile device management service	<u>588</u>
Total Funds Requested	\$ 3,918

*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.*

<b>AGENCY NAME:</b>	Office of the State Inspector General (SIG)		
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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>Increased Office Lease Cost and Increased Office Space Need</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$ 18,547</b> <b>Federal:</b> <b>Other:</b> <b>Total: \$ 18,547</b>
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*What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	N/A
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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 type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority # _____	

<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>AGENCY NAME:</b>	<b>Office of the State Inspector General (SIG)</b>		
<b>AGENCY CODE:</b>	<b>D250</b>	<b>SECTION:</b>	<b>94</b>

<b>ACCOUNTABILITY OF FUNDS</b>	<p>The addition of these funds supports all of the Agency’s activities including the Agency’s investigative efforts and general operations under the Statewide Enterprise Strategic Objectives of “Maintaining Safety, Integrity and Security” (Strategies no. 1.1, 1.2, 2.1). This request supports all activities of the Agency and is evaluated through the overall performance of the Agency in assuring integrity within Executive Branch agencies through its investigations and reviews; identifying waste in Executive Branch agencies; and assisting the public in receiving and addressing complaints concerning Executive Branch agencies.</p>
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*What specific strategy, as outlined in the FY 2019-20 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>	<p>The funds would be disbursed to a vendor providing commercial office space. The funds would be allocated through a competitive process conducted by the Department of Administration.</p>
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*What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?*

<b>JUSTIFICATION OF REQUEST</b>	<p>This request seeks an increase in appropriation for two purposes: first, to offset the 3% annual lease cost increases instituted in FY2019 under the agency’s present office space lease; and second to provide funds to allow the agency to acquire a larger office space to better meet its needs. The additional funds needed to offset the lease cost increases through FY2021 total \$ 4,594.</p> <p>During its first year of existence (FY2013), the SIG acquired the small office suite it presently occupies. The present office suite accommodates the staff but is inadequate in support space, particularly meeting space, storage for the growing numbers of files and supplies. Its small conference room was eliminated to provide an office for a new employee joining the agency with the increase in FTE staffing during the present fiscal year. In addition, information security and privacy needs have required the addition of equipment that is not adequately housed in the existing space.</p> <p>To address these space needs, funding is sought to acquire approximately 800 additional square feet of space. The cost of this increased space is projected at \$13,953 based on the FY2021 lease rate of \$16.44 under the current lease.</p> <p>Summary: Current lease cost increases - \$ 4,594  Additional Space Cost - <u>13,953</u>  Total Funds Requested - \$ 18,547</p>
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*Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.*

<b>AGENCY NAME:</b>	Office of the State Inspector General (SIG)		
<b>AGENCY CODE:</b>	D250	<b>SECTION:</b>	94

**FORM B1 – RECURRING OPERATING REQUEST**

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

<b>TITLE</b>	<b>Health Insurance Adjustment – Number of Covered Employees</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$ 6,873</b> <b>Federal:</b> <b>Other:</b> <b>Total: \$ 6,873</b>
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*What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	<b>N/A</b>
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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 type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

<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>AGENCY NAME:</b>	<b>Office of the State Inspector General (SIG)</b>		
<b>AGENCY CODE:</b>	<b>D250</b>	<b>SECTION:</b>	<b>94</b>

<b>ACCOUNTABILITY OF FUNDS</b>	<p>The addition of these funds supports all of the Agency’s activities including the Agency’s investigative efforts and general operations under the Statewide Enterprise Strategic Objectives of “Maintaining Safety, Integrity and Security” (Strategies no. 1.1, 1.2, 2.1). This request supports all activities of the Agency and is evaluated through the overall performance of the Agency in assuring integrity within Executive Branch agencies through its investigations and reviews; identifying waste in Executive Branch agencies; and assisting the public in receiving and addressing complaints concerning Executive Branch agencies.</p>
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*What specific strategy, as outlined in the FY 2019-20 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>	<p>These funds will be expended in premiums paid to the State Employee Health Plan. It will be allocated based on the insurance elections made by SIG employees.</p>
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*What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?*

<b>JUSTIFICATION OF REQUEST</b>	<p>Employee turnover in an agency can result in significant variation in employee health insurance expense where new employees elect different categories of coverage from their predecessors. Premiums vary from approximately \$4,800 annually for individual coverage to \$12,000 for full family coverage. These variations from year-to-year can have a greater proportional impact on a small agency’s budget than on a large agency with hundreds of employees.</p> <p>In addition to these cost variations, the SIG is somewhat unique in that during its first year of existence, three of the seven employees were federal retirees who elected not to take state health insurance. Going forward, the SIG’s budget included the savings from those employees not taking the coverage.</p> <p>Currently, one employee without state health insurance is leaving the agency and this request seeks an increase in the appropriation to provide for the potential the employee’s replacement will select state health insurance. The amount requested is the composite annual premium provided by PEBA - \$ 6,873 annually.</p>
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*Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.*



<b>AGENCY NAME:</b>	Office of the State Inspector General (SIG)		
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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>Employee Training and Training-Related Travel</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$ 4,800</b> <b>Federal:</b> <b>Other:</b> <b>Total: \$ 4,800</b>
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*What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	N/A
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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 type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority # _____	

<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>AGENCY NAME:</b>	<b>Office of the State Inspector General (SIG)</b>		
<b>AGENCY CODE:</b>	<b>D250</b>	<b>SECTION:</b>	<b>94</b>

**ACCOUNTABILITY OF FUNDS**

The addition of these funds supports all of the Agency’s activities including the Agency’s investigative efforts and general operations under the Statewide Enterprise Strategic Objectives of “Maintaining Safety, Integrity and Security” (Strategies no. 1.1, 1.2, 2.1). This request supports all activities of the Agency and is evaluated through the overall performance of the Agency in assuring integrity within Executive Branch agencies through its investigations and reviews; identifying waste in Executive Branch agencies; and assisting the public in receiving and addressing complaints concerning Executive Branch agencies.

*What specific strategy, as outlined in the FY 2019-20 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**

The funds would be disbursed to vendors and organizations including governmental agencies providing job-specific training opportunities for SIG employees.

*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**

SIG employees have obtained or are in the process of obtaining certifications offered by two organizations, the Association of Inspectors General (IG Institute) and the Association of Certified Fraud Examiners (ACFE). The training and certifications offered by these two organizations provide a knowledge base directly related to the work of the SIG and benefit the agency through providing a better-equipped staff to address complaints involving fraud, waste, abuse and mismanagement in the Executive Branch. SIG employees also attend other job-related training such as performance auditing and various classes to maintain their certifications.

Previously, the SIG funded the training and related travel costs with carryover funds. The purpose of this request is to establish a continuing source of funds to provide training to new employees, and for existing employees to further increase their job-specific knowledge and maintain their certifications.

The funding will provide the following:

One employee to the IG Institute annually	\$ 2,150
One employee provided the ACFE course/exam annually	1,000
Other training for various employees	<u>1,650</u>
Total Funds Requested	\$ 4,800

*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.*

<b>AGENCY NAME:</b>	Office of the State Inspector General (SIG)		
<b>AGENCY CODE:</b>	D250	<b>SECTION:</b>	94

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

<b>TITLE</b>	Agency Cost Savings and General Fund Reduction Contingency Plan
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<b>AMOUNT</b>	<p><b>\$ 25,047</b></p> <p><i>What is the General Fund 3% reduction amount (minimum based on the FY 2019-20 recurring appropriations)? This amount should correspond to the reduction spreadsheet prepared by EBO.</i></p>
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<b>ASSOCIATED FTE REDUCTIONS</b>	<p>Two of the office’s eight employees would have their hours reduced approximately 6.7 hours per week. The two employees’ hours would be reduced from 37.5 hours per week to 30.8 hours per week. This would be an overall reduction of 0.36 FTEs.</p> <p><i>How many FTEs would be reduced in association with this General Fund reduction?</i></p>
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<b>PROGRAM/ACTIVITY IMPACT</b>	<p>The investigation of fraud, waste, abuse and mismanagement involving the Executive Branch of State Government.</p> <p><i>What programs or activities are supported by the General Funds identified?</i></p>
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<b>AGENCY NAME:</b>	<b>Office of the State Inspector General (SIG)</b>		
<b>AGENCY CODE:</b>	<b>D250</b>	<b>SECTION:</b>	<b>94</b>

<b>SUMMARY</b>	<p>A 3% budget reduction would reduce employee hours devoted to the investigations from 11,700 hours annually to 11,003 hours, or a reduction of 697 hours annually - a 6% reduction in investigative capacity.</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.*

<b>AGENCY COST SAVINGS PLANS</b>	<p>A reduction in costs in excess of \$50,000 would amount to a reduction of 6% of the agency's budget, and could only be accomplished by eliminating a full time position, since 92% of the agency's budget is in the personnel area. There are no plans at present to implement a cost reduction of more than \$50,000.</p>
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*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?*