



**Fiscal Year FY 2023-2024
Agency Budget Plan**

FORM A - BUDGET PLAN SUMMARY

**OPERATING
REQUESTS**
(FORM B1)

For FY 2023-2024, my agency is (mark "X"):	
<input checked="" type="checkbox"/>	Requesting General Fund Appropriations.
<input checked="" type="checkbox"/>	Requesting Federal/Other Authorization.
<input type="checkbox"/>	Not requesting any changes.

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

For FY 2023-2024, my agency is (mark "X"):	
<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.

**CAPITAL
REQUESTS**
(FORM C)

For FY 2023-2024, my agency is (mark "X"):	
<input type="checkbox"/>	Requesting funding for Capital Projects.
<input checked="" type="checkbox"/>	Not requesting any changes.

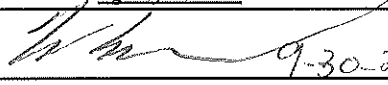
PROVISOS
(FORM D)

For FY 2023-2024, my agency is (mark "X"):	
<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>
PRIMARY CONTACT:	Darlene Gathers, Budget and Reporting Manager	(803) 898-7247	Darlene.Gathers@dss.sc.gov
SECONDARY CONTACT:	David O'Kelly, Controller	(803) 898-3987	David.Okelly@dss.sc.gov

I have reviewed and approved the enclosed FY 2023-2024 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

SIGN/DATE:	<u>Agency Director</u>	<u>Board or Commission Chair</u>
TYPE/PRINT NAME:	 9-30-2022	
	Michael Leach	

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	Strengthening Support for South Carolina's Children and Adults	20,570,281	6,669,589	0	0	27,239,870	0.00	0.00	0.00	0.00	0.00
2	B1 - Recurring	Infrastructure Integrity and Information Security	1,386,332	646,146	0	0	2,032,478	4.82	2.18	0.00	0.00	7.00
3	B2 - Non-Recurring	Infrastructure Integrity and Information Security	14,222,574	9,723,380	0	0	23,945,954	0.00	0.00	0.00	0.00	0.00
4	B2 - Non-Recurring	Food Insecurity	5,000,000	0	0	0	5,000,000	0.00	0.00	0.00	0.00	0.00
TOTALS			41,179,187	17,039,115	0	0	58,218,302	4.82	2.18	0.00	0.00	7.00

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

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	1
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Strengthening Support for South Carolina's Children and Adults
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$20,570,281 Federal: \$6,669,589 Other: \$0 Total: \$27,239,870
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What is the net change in requested appropriations for FY 2023-2024? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

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

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

ACCOUNTABILITY OF FUNDS	<p style="text-align: center;">(Goal 1, Strategy 1, Measure 1.1.1; 1.1.2; 1.1.3; 1.1.4)</p> <p style="text-align: center;">(Goal 1, Strategy 2, Measure 1.2.1)</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?

RECIPIENTS OF	Foster Parents, Kinship Caregivers, Group Home Facilities, Child Placing Agencies, Assisted Living Facilities and Nursing Homes. Allocation of funds is based on the level of care and support needed for foster children, vulnerable adults, and related
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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?

Foster Family Board Rate Increase - \$2,989,306 Total Funds

\$2,040,949 State General Funds

\$948,357 Federal Authorization

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

Group Home Rate Increase - \$10,532,550 Total Funds

\$8,815,588 State General Funds

\$1,716,962 Federal Authorization

In the continuum of care, group homes commonly serve youth whose emotional or behavioral needs exceed the capacity of traditional family foster care or therapeutic foster care. In these situations, group homes offer time-limited safe environments for youth deemed at-risk due to experiences of unstable care, maltreatment, and behavioral problems, until they can be stepped-down to a family-based placement. The rates associated with these homes have not been adjusted since 2015 and are significantly behind the current rates needed to properly compensate providers for the cost of caring for these children.

Kinship Guardianship Assistance Program - \$1,696,833 Total Funds

\$1,198,018 State General Funds

\$498,815 Federal Authorization

The Kinship Guardianship Assistance Program (KinGAP) is designed to support permanent placements for youth who are placed with relatives and other kinship caregivers that allow youth to permanently exit foster care. Kinship caregivers are the preferred resource for children and youth who must be removed from their home because this placement maintains the child's/youth's connections with their family and community. The Guardianship Assistance Program (KinGAP) offers financial assistance for youth who are placed with licensed kinship caregivers who are committed to providing a permanent home for the youth. South Carolina is one of only ten states that has not yet implemented an approved Title IV-E guardianship assistance program.

Child Placing Agency Support - \$3,380,344 Total Funds

\$2,095,813 State General Funds

\$1,284,531 Federal Authorization

The agency contracts with child placing agencies (CPAs) to facilitate the placement of children in foster care, who perform the necessary functions of foster home licensing, recruitment, training, and supervision of foster parents. The CPA must ensure family foster homes receive support as needed, and provide on-going program support services. These support services include, but are not limited to: one-on-one mentoring, recruitment, training, crisis management, and other on-going support, such as conferences and seminars for licensed foster families, respite care between licensed foster families, and resource sharing. While DSS retains authority for all placement decisions, the CPA must identify foster families that are best matched to each child/youth. Based on cost data from private providers, the rates for these services have historically been significantly lower than the actual costs to provide these services.

Therapeutic Foster Care/Medical Therapeutic Foster Care Board Rate Increase - \$5,556,055 Total Funds

\$4,169,696 State General Funds

\$1,386,359 Federal Authorization

Most children/youth who come into custody/care of the Department have treatment,

JUSTIFICATION OF REQUEST

behavioral, emotional, developmental and/or medical issues that require a higher level of service delivery and care. Some have run away from a prior placement, are victims of sex trafficking, or have disrupted their previous placement; and/or for a variety of reasons have therapeutic needs that make a non-therapeutic foster home an unsuitable placement setting to meet those needs. In these instances, the child/youth needs to be placed in an appropriate level of care, which is often a therapeutic foster home or a medical therapeutic foster home. Rates for these types of placements have not increased since April 2014, and the Department is requesting a rate increase based on inflation from April 2014 through May 2022.

Children and Youth with Exceptional Needs Program - \$1,080,401 Total Funds

\$906,916 State General Funds

\$173,485 Federal Authorization

The exceptional needs foster care program is a more intensive, short-term therapeutic care model that serves the unique needs of children and youth experiencing severe behavioral challenges. This often includes emotional dysregulation, increased risk of entering institutional care, developmental challenges such as autism or cognitive delays, multi-system involvement (DSS, DDSN, DJJ, DMH), or a history of multiple placements, requiring more support than can be provided through less intensive models of foster care or outpatient treatment. This program provides the increased needed support to the child/youth, while maintaining them in a family-based setting hopefully preventing escalation to a higher level of care.

Emergency Stabilization Beds - \$432,000 Total Funds

\$432,000 State General Funds

In order to meet the safety, health, and well-being needs of vulnerable adults in DSS custody, the Department is requesting funding to secure 6 temporary emergency stabilization beds that are available 24 hours a day, 7 days a week, across the state to establish short term emergency placement until long-term appropriate placement and/or services can be secured, and Medicaid approval is received. DSS is serving approximately 700 vulnerable adults, with 160 in custody.

The cost for adult care is directly associated with the client's mental health needs, psychological status and level of continuous care required. DSS must absorb these costs until Medicaid eligibility and/or long-term support and safe and appropriate living arrangements have been secured. The Department does not receive dedicated, recurring Federal funding for Adult Protective Services.

Economic Services Equity Increases - \$1,376,874 Total Funds

\$774,507 State General Funds

\$602,367 Federal Authorization

The Department is requesting state funds to increase the minimum salary for approximately 740 frontline workers within Economic Services (ES) that perform duties related to public assistance eligibility. DSS eligibility workers are responsible for determining eligibility for federal Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF) benefits. This salary increase is necessary to improve recruitment and retention, while increasing equity internally and with similar positions in the public and private sectors. ES staff are among the lowest paid in the Department, and eligibility worker salaries are significantly lower than those of other comparable state agency positions (e.g., Medicaid eligibility staff). The current hiring salary significantly impacts DSS's ability to hire and retain qualified staff, which hinders our ability to meet federally-mandated application processing timelines.

Through August of 2022, turnover in these specific ES positions was approximately 32%, while the agency average turnover for the same time frame was less than 19%. This level of turnover negatively impacts thousands of low-income individuals and families who are forced to wait longer periods of time to receive food and other assistance they need. The Department receives an average of 28,000 applications per month, and over 600,000 South Carolinians currently receive SNAP benefits.

DSS is expected to maintain a timeliness rate of 95% and an error rate no more than 110% of the national average. The department is still within the national error rate, however timeliness of application approvals has declined due to increased turnover largely driven by low salaries.

The requested increase is consistent with the Legislative Audit Council's (LAC) August 2021 report, which recommended the Department adjust salaries for eligibility workers to ensure they are competitive, and to take steps to decrease the number of unfilled vacancies. In some cases, Economic Services employee salaries are so low, the employee could be eligible for benefits from the program they administer. The median salary for Economic Services workers in South Carolina falls thousands of dollars below the starting salaries of states reviewed by the LAC in the southeastern region of the country. The Department is seeking the equity increase based on the

LAC's recommendation and the Agency's need to be competitive and comparable.

State Fleet Telematics - \$195,507 Total Funds

\$136,794 State General Funds

\$ 58,713 Federal Authority

Due to the need to prioritize other efforts over the last 5 fiscal years, DSS has not requested additional state funding to account for the increased rate charged per leased state fleet vehicle or the increased rate per mile charged by state fleet for utilizing the leased vehicles. For FY 23, the average base rate per leased fleet vehicle increased by 12.67%, and the rate per mile increased by approximately 61.58% as compared to those same rates in FY 18.

Historically, upgrades to vehicles and cost increases for mileage and fuel have been absorbed by the agency. The State Fleet Management Division of the SC Department of Administration is currently in the process of installing the Telematics GPS tracking system in all state vehicles. The State estimates the additional cost per vehicle, per month will be \$17.00. Statewide, DSS has by far the largest state fleet vehicle pool among all State agencies, at more than 1,000 vehicles. This magnifies the additional annual burden that results from this change.

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	2
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Infrastructure Integrity and Information Security
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$1,386,332 Federal: \$646,146 Other: \$0 Total: \$2,032,478
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What is the net change in requested appropriations for FY 2023-2024? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	7.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input 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 type="checkbox"/>	Proposed establishment of a new program or initiative
	<input checked="" 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"/>	Related to a Non-Recurring request – If so, Priority # 3	

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

ACCOUNTABILITY OF FUNDS	<p>This decision package focuses on the agency's information technology infrastructure, which supports the entire agency and relates to the four defined goals, as listed in the Agency Accountability Report.</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?

RECIPIENTS OF	Information Technology and Information Security Professionals and Contractors.
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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?

IT Integrity and Information Security Staffing \$976,158 Total Funds – 7.00 Total FTEs

\$662,630 State General Funds – 4.82 FTEs

\$313,528 Federal Authorization – 2.18 FTE

The Department's Division of Technology Services (DTS) enables DSS's workforce and partners to achieve DSS's mission by providing secure, high quality, technology-based services. DTS is seeking 7 positions to achieve the essential IT staffing necessary to maintain network security, prioritize and manage enterprise project implementation, and expand user support services. These employees will improve our ability to engage in vulnerability scans to prevent security breaches, and monitor the digital environment for potential threats to harden internal processes they will also allow for full implementation and required support of critical strategic initiatives, including the Enterprise Imaging System, digital signature project, Business Intelligence, and the upgrading of legacy internal administrative systems. The inability to create and fund these new positions presents enhanced risks surrounding information security operations and management of critical network and service infrastructure, and it will delay the implementation and ongoing support for of mission-critical DSS Information systems.

Bandwidth Upgrade - \$385,640 Total Funds

\$264,208 State General Funds

\$121,432 Federal Authorization

DSS is requesting recurring funding to cover increased costs associated with providing increased bandwidth for 57 offices to support changes in staff work approaches, leveraging certain innovative solutions implemented due to COVID19. These changes initially included the use of tools such as Microsoft TEAMS and BroadSoft (a web-based call center solution) to allow work to continue during mandated office closures. Since returning to work in the offices, staff have continued to meet virtually with internal staff, external partners, and customers to mitigate the risk of COVID19 exposure and to decrease costs associated with travel and lodging for cross-regional meetings and events. The added use of these web-based tools to support safe and efficient operations created extreme network slowness and outages as system loads reached or exceeded network capacity.

Bandwidth upgrades initially funded via one-time COVID-related funding allowed restoration of system speeds to acceptable levels. DSS has experienced the largest usage of TEAMS among cabinet agencies since March of 2020, it has become a critical tool for business operations and communications. The increase of internet bandwidth has allowed DSS to use TEAMS and other video conferencing tools with proper performance levels and improved services levels to the public, while avoiding disruptions to the rest of DSS Information systems. The requested recurring state matching funding will allow DSS to continue to operate with minimized risks of outages impacting services to the public.

Network Management Software Maintenance – \$27,959 Total Funds

\$19,155 State General Funds

\$ 8,804 Federal Authorization

DSS is requesting recurring funding of annual maintenance and support for SolarWinds software purchased to monitor, analyze, and reduce risks to the Agency communications network. These products are used to streamline network alert monitoring from multiple sources, centralize and collect network logs, and monitor bandwidth usage and application of the network SolarWinds IP Address Manager component. Without continued maintenance of this product, the Department will be unable to properly identify and remediate network traffic bottlenecks impacting network performance agency-wide, which poses a direct risk to services levels to South Carolina's citizens.

Antivirus Software Maintenance - \$181,165 Total Funds

\$124,119 State General Funds

\$ 57,046 Federal Authorization

DSS is requesting recurring funding for annual maintenance for its CISCO Advanced Malware Protection software. The Department utilized one-time funding to upgrade to this antivirus software in fiscal 2021 to obtain a more robust security posture and protection level, and to enable seamless integration with the CISCO Core Network Devices. This cloud-based solution monitors all devices for security threats and attacks and isolates affected/infected hosts to respond and remediate security risks. It has been invaluable in identifying and remediating potential threats of data breach and compromise of Agency systems and services. Lack of resources to renew maintenance of these products places the Department at risk for security breaches, jeopardizing its ability to provide critical services to clients statewide.

Upgrade to MS Unified Advanced Support - \$139,794 Total Funds

\$95,775 State General Funds

\$44,019 Federal Authorization

Microsoft recently changed support options for the MS suite of products in use by DSS and most large state agencies. DSS is choosing to move to the MS Unified Advanced Support from Premier Class Support, including an advanced suite of on-demand reports. This will improve DSS's ability to secure and monitor its network. Maintenance of this product is essential to reducing the risk of security breaches impacting critical services to clients statewide.

IT Upgrade to MS E5 - \$321,762 Total Funds

\$220,444 State General Funds

\$101,318 Federal Authorization

To attain a generally accepted standard of security, DSS has upgraded its Office 365 Tenant from E3 to E5. E5 provides a broad spectrum of security enhancements and offers users a wide variety of tools to improve productivity, while gaining greater mobility. The majority of large State agencies, including DHHS, DOR, DEW, and DHEC, have completed this transition.

With the volume of PII data DSS handles, the improved data security alone justifies the change. DSS upgraded to an MS O-365 E5 Government Cloud license in 2021, utilizing one-time funding, and it has positively impacted operations with its inherent Advanced Threat Protection, which now blocks more than 100ks threats a week of malicious agents attempting to compromise our employees accounts and enterprise systems. The inability to continue maintaining E5 support puts the Department at heightened risk of security breaches and other outages that would immediately and significantly impact our ability to provide critical services to clients statewide.

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	3
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Infrastructure Integrity and Information Security
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Provide a brief, descriptive title for this request.

AMOUNT	\$23,945,954
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What is the net change in requested appropriations for FY 2023-2024? This amount should correspond to the total for all funding sources on the Executive Summary.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input 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 checked="" 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 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 # Infrastructure Integrity and Information Security	

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

ACCOUNTABILITY OF FUNDS	<p>This decision package focuses on the agency's information technology infrastructure, which supports the entire agency and relates to the four defined goals, as listed in the Agency Accountability Report.</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?

RECIPIENTS OF FUNDS	<p>Professional Services Providers/Contractors</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

Economic Services System Application Modernization - \$16,997,080 Total Funds

\$8,753,496 State General Funds

\$8,243,584 Federal Authorization

The Department is requesting non-recurring state matching funds to cover the initial development phase for the Economic Services System Application Modernization (ESSAM) project, which will replace agency's 34-year-old legacy Mainframe SNAP and TANF Eligibility Systems. These systems are responsible for determining eligibility and issuing benefit payments to over 300,000 households and over 630,000 individuals, receiving nearly \$2 billion in annual benefit payments.

The outdated technology required to maintain the current legacy system no longer meets modern business/operational needs. The programming language used in the legacy system is no longer used in modern enterprise systems, and the programmer skillsets required to maintain the system are costly, and often no longer available. Due to the age of the system, DSS no longer has the ability make system changes and provide appropriate enhancements to improve client experience, benefit timeliness, or program integrity and operational efficiency/effectiveness, posing major risks to the State.

A feasibility study and cost benefit analysis being performed by Gartner is nearing completion. Based on Gartner's current estimates, following the development and release of a Request for Proposal (RFP), system design and development will begin during FY 2023-2024, carrying an estimated cost of \$16.9 million.

Current estimates show the design, development, testing and implementation phases of the project spanning until FY 25-26. In addition to the FY 23-24 request, DSS intends to request additional non-recurring state appropriations for the approximately 50% in required state matching funds for the duration of the project, followed by associated ongoing maintenance and support matching funds, following system deployment.

Federal Court Case Management System - \$2,249,385 Total Funds

\$2,249,385 State General Funds

DSS is seeking funding to continue the operations of the mandated Family Court Case Management System (FCCMS). Costs include system maintenance and operations vendor (Conduent/Avenu) costs, DSS staffing for project management, system testing, training, and site support, hosting and communication charges at DTO, and other administrative expenses related to requirements of the system. Following the successful state-wide deployment of FCCMS in 2021, continued state support of this project is required to allow on-going systems support for Family Court operations in the 46 County Clerk of Court offices.

Wired Network Upgrades - \$486,775 Total Funds

\$333,497 State General Funds

\$153,278 Federal Authorizations

Systems wiring is degrading across all DSS locations. DSS requests funding to upgrade the physical wired network at the main offices at North Tower, and Harden Street, as well as sites Statewide to support county office updates and remodels. Each wire drop costs an average of \$275, factoring in labor, parts, racks, and associated components. Based on the number of estimated ports, the total cost will be approximately \$500,000. These estimates are based on the existing number of staff, the number of requested positions, the number of known active connections and devices, and planned modifications for existing services. If the Department does not make these upgrades, DSS's network performance will be impacted and DSS offices are likely to experience outages impacting our ability to serve the public.

Network Infrastructure Hardware Refresh - \$4,116,304 Total Funds

\$2,820,144 State General Funds

\$1,296,160 Federal Authorization

DSS is requesting non-recurring state match funding required to refresh critical infrastructure/equipment reaching end-of-life, including network switches, firewall, and routers, and hardware critical for DSS to improve county communications, monitoring, and management. The estimated cost is based on the last agency refresh for legacy components, and updated costs for items not funded previously – all based on current State contract prices. Actual final review and quoting of hardware would begin in Spring of 2023. If the refresh continues to be unfunded, DSS's core network may become inoperable due to equipment that is no longer supported or eligible for extended warranty, resulting in the interruption of critical services to the public.

Load Balancer Replacement - \$96,410 Total Funds

JUSTIFICATION
OF REQUEST

\$66,052 State General Funds

\$30,358 Federal Authorization

The Department is requesting funds to replace the load balancer equipment (F5), which is reaching end of life for support and software updates. If DSS does not replace the network equipment, network performance will be negatively impacted, with worst-case scenarios bringing DSS core applications down completely due to failure of equipment no longer supported and not eligible for extended warranty, resulting in the interruption of critical services to the public.

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	4
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Food Insecurity
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Provide a brief, descriptive title for this request.

AMOUNT	\$5,000,000
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What is the net change in requested appropriations for FY 2023-2024? This amount should correspond to the total for all funding sources on the Executive Summary.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input 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 type="checkbox"/>	Proposed establishment of a new program or initiative
	<input checked="" type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
	<input checked="" type="checkbox"/>	Request for Non-Recurring Appropriations
	<input type="checkbox"/>	Request for Federal/Other Authorization to spend existing funding
<input type="checkbox"/>	Related to a Recurring request – If so, Priority #	

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

ACCOUNTABILITY OF FUNDS	(Goal 1, Strategy 2, Measure 2.1.2)
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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?

RECIPIENTS OF FUNDS	Supplemental Nutrition Assistance Program (SNAP) recipients.
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

**JUSTIFICATION
OF REQUEST**

Healthy Bucks - \$5,000,000 Total Funds

\$5,000,000 – State General Funds

The Department requests \$5,000,000 in non-recurring dollars to continue operation of the Healthy Bucks Program. Authorized under the SNAP Coupons Proviso in the 2013-14 Appropriations Act, Healthy Bucks provides coupons allowing SNAP recipients to obtain additional fresh fruits and vegetables when purchasing fresh produce at grocery stores or farmer's markets with SNAP benefits through their EBT cards. Each coupon allows the recipient to double the amount of produce purchased, up to \$10. In 2022, the proviso was amended to increase the incentive limit to \$20.

The proviso directs the Department of Social Services (DSS) to utilize all funds received in the prior and current fiscal years from the U.S. Department of Agriculture as a bonus for reducing the error rate in processing SNAP applications to fund the Healthy Bucks program. Food stamp bonuses received for FFY 2011 had already been spent when the proviso was established. DSS received \$1,892,369 in high performance bonuses for FFY 2012. Notice of this award arrived in June 2013 and was set aside for the Healthy Bucks program. Federal law passed in 2014 requires bonus payments to be used only for investments in technology or other activities that improve the administration of the SNAP program, or actions to prevent fraud, waste and abuse. Thus, only the FFY 2012 bonus funds were appropriated for Healthy Bucks.

Due to increased participation and vendor expansion, the current funding source for Healthy Bucks is expected to be fully exhausted by the end of SFY 2023. No federal funds may be used for Healthy Bucks, as the expenditures are classified as "direct client 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 D – PROVISO REVISION REQUEST

NUMBER

38.14

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

TITLE

DSS: 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 Strengthening Support for South Carolina's Children and Adults

Is this request associated with a budget request you have submitted for FY 2023-2024? 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 FY2002-03. 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 \$619 Per Month

6-12 \$723 Per Month

13+ \$764 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 their foster children and would 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 ~~\$619~~ **\$644** per month

ages 6 - 12 ~~\$723~~ **\$752** per month

ages 13+ ~~\$764~~ **\$794** 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 D – PROVISIO REVISION REQUEST

NUMBER	38.22
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Cite the proviso according to the renumbered list (or mark "NEW").

TITLE	DSS. SNAP Coupons
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Provide the title from the renumbered list or suggest a short title for any new request.

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

RELATED BUDGET REQUEST	Priority #4 - Food Insecurity
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Is this request associated with a budget request you have submitted for FY 2023-2024? If so, cite it here.

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

OTHER AGENCIES AFFECTED	None
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>The Healthy Bucks Program, authorized under a proviso in the 2013-14 Appropriations Act, provides coupons allowing SNAP recipients to obtain additional fresh fruits and vegetables when purchasing fresh produce at grocery stores or farmer’s markets with SNAP benefits through their EBT cards. Each coupon allows the recipient to double the amount of produce purchased, up to \$10. In 2022 the proviso was amended to increase this amount up to \$20.</p> <p>The proviso directs the Department of Social Services (DSS) to utilize all funds received in the prior and current fiscal years from the U.S. Department of Agriculture as a bonus for reducing the error rate in processing SNAP applications to fund the Healthy Bucks program. This proviso amendment is being requested to allow carryforward of the non-recurring funds requested in Priority #4 – Food Insecurity.</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

As reflected in Priority #4, the fiscal impact related to this proviso is \$5,000,000 in non-recurring state general funds to provide coupons allowing SNAP recipients to obtain additional fresh fruits and vegetables when purchasing fresh produce at grocery stores or farmer's markets with SNAP benefits through their EBT cards.

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 continue the Healthy Bucks program established to provide coupons that allow Supplemental Nutrition Assistance Program (SNAP) recipients to obtain additional fresh fruits and vegetables when purchasing fresh produce at authorized farmers markets and vendors with SNAP benefits through their EBT cards. Healthy Buck coupons shall allow the beneficiary to increase the amount of produce purchased, up to twenty dollars per month. **The agency shall be authorized to retain and carry forward any unexpended funds appropriated for the Healthy Bucks program.** ~~The agency shall utilize all funds received from the U.S. Department of Agriculture as a bonus for reducing the error rate in processing SNAP applications during federal fiscal year 2012 to fund the program. The agency shall work to identify and utilize funds as matching dollars for the continued success of the Healthy Bucks program and shall report semi-annually to the General Assembly on the status of the program. The report shall include, at a minimum, the number of recipients, counties served, and cumulative expenditure data for the program.~~

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 D – PROVISO REVISION REQUEST

NUMBER	38.XX
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Cite the proviso according to the renumbered list (or mark "NEW").

TITLE	Economic Services System Application Modernization (ESSAM)
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Provide the title from the renumbered list or suggest a short title for any new request.

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

RELATED BUDGET REQUEST	Priority #3 - Infrastructure Integrity and Information Security
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Is this request associated with a budget request you have submitted for FY 2023-2024? If so, cite it here.

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

OTHER AGENCIES AFFECTED	None
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>A critical component of Priority #3, the ESSAM project is a major modernization effort to replace the end-of-life mainframe application that serves over 600,000 South Carolinians via the issuance of SNAP and TANF benefits. An RFP will be issued with a resulting vendor contracted to implement the modernized system. This project will span multiple fiscal years and involve multiple vendor payment milestones in accordance with the deliverables agreed-upon in the vendor contract.</p> <p>While initial estimates of payment needs for FY24 have been captured by the Department via the ongoing Gartner feasibility study which is nearing completion, actual approval of deliverables and resulting timing of payments will be contingent on the Department's project team approving successful achievement of vendor payment milestones captured in the development contract. Therefore, non-recurring funding appropriated by the general assembly may require some of level of carry-forward across fiscal year-end for each year of non-recurring funding requested/appropriated.</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

As captured in Priority #3 - Infrastructure Integrity and Information Security for non-recurring funding associated with the ESSAM project, the estimated funding required for initial phases of development during FY 23-24 is \$16,997,080 (\$8,753,496 in State funding).

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 shall be authorized to retain and carry forward any unexpended funds appropriated for the Economic Services System Application Modernization (ESSAM) Project.

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
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AMOUNT	\$8,299,066
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What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.

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

PROGRAM / ACTIVITY IMPACT	<p>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 reduction of these contracts may hinder the agency's ability to continue to perform certain services necessary for the proper administration of DSS. The agency would also execute a two week furlough of all staff whose compensation is \$50,000 or more, putting a strain on staff and their families. Lastly, DSS would eliminate its current forecasted vacant positions, excluding frontline case managers, putting a heavier burden on current staff who are already absorbing an increased workload.</p>
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What programs or activities are supported by the General Funds identified?

SUMMARY	<p><u>3% Reduction State General Funds Reduction \$8,299,066 Total Funds</u></p> <p><u>\$8,299,066 Total State Funds</u></p> <p>Description of Reduction Amount:</p> <p>Contract Reductions \$2,533,260</p> <p>Furlough staff making \$50,000 and over for 10 days \$755,746</p> <p>Eliminate forecasted vacant positions, except frontline case managers \$5,010,060</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**

NA

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
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Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	See narratives with amounts below.
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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: <table border="1"> <tr> <td><input type="checkbox"/></td> <td>Repeal or revision of regulations.</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Reduction of agency fees or fines to businesses or citizens.</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Greater efficiency in agency services or reduction in compliance burden.</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Other</td> </tr> </table>	<input type="checkbox"/>	Repeal or revision of regulations.	<input type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.	<input type="checkbox"/>	Greater efficiency in agency services or reduction in compliance burden.	<input checked="" type="checkbox"/>	Other
<input type="checkbox"/>	Repeal or revision of regulations.								
<input type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.								
<input type="checkbox"/>	Greater efficiency in agency services or reduction in compliance burden.								
<input checked="" type="checkbox"/>	Other								

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

REDUCTION OF FEES OR FINES	NA
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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	NA
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Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

COMMENTS	<p>Although DSS transitioned to a relatively normal, post-pandemic mode of operation in Fiscal 2022, many of South Carolina's citizens and businesses continued to struggle with personal and financial challenges and losses caused or intensified by COVID-19. DSS continued to provide South Carolina's citizens and businesses with an array of relief from those adverse effects and supported their efforts to recover lost ground. Fortunately, DSS received substantial federal stimulus funding made available through the Coronavirus Response and Relief Supplemental Act (CRRSA) 2021/Consolidated Appropriations Act 2021 and the American Rescue Plan.</p> <p>DSS staff have worked tirelessly to deploy substantial amounts of this emergency funding to strengthen the State's childcare system, so that it can better support eligible parents and the businesses that serve parents by caring for our children. Through June 2022, the Department has issued 2,132 childcare stabilization grants totaling \$281 million to childcare providers serving nearly 140,000 children. These grants are continuing, with an additional \$144 million to be paid. DSS also provided \$41 million in operating grants to help providers who had closed reopen their facilities, and to assist with recovery of others who had suffered from lost revenue due to low enrollments during the pandemic.</p> <p>In addition, since October 2020, in response to COVID-19, DSS's Division of Early Care and Education has been offering additional childcare assistance for lower-income working families, with approximately 37,094 children having been approved for SC Vouchers, and in Fiscal 2022 DSS began paying family copayments for SC Vouchers to childcare providers as additional financial assistance for working families who need childcare.</p> <p>Since July 2022, DSS also has been offering technology grants to childcare providers to purchase equipment or services needed to support childcare business operations and classroom functionality. Over \$52 million in technology grants have been approved for payment to 1,665 childcare providers.</p>
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SUMMARY

In addition, to better support the nutrition of the State's children, DSS has collaborated with the SC Department of Education to issue federal Pandemic Electronic Benefit Transfer (PEBT) benefits for K-12 students and 0-6 year-old children. During the last two school years, over \$850 million in PEBT benefits were distributed to over 500,000 K-12 students receiving free and reduced-price meals under the National School Lunch Program, and to almost 200,000 children ages 0-6 whose families receive SNAP benefits.

Since early in the pandemic, SNAP recipients also have received federal emergency supplemental benefits, allowing the amount of SNAP benefits going to families to nearly double pre-pandemic levels. These additional emergency allotments have exceeded \$1 billion cumulatively.

Further, in an effort to support the State's young adults displaced or adversely affected by the pandemic, during fiscal 2022 DSS provided over \$2.9 million in direct stipends, along with food, transportation, housing and other assistance, plus over \$532,000 in tuition assistance to or on behalf of this young population.

As another measure of relief for those most in need, in May 2022 the Department issued 31,000 emergency benefit payments totaling \$9.4 million directly to SNAP and TANF recipients.

Finally, in an effort to support and encourage placement and retention of foster children with Kinship caregivers, DSS made direct assistance payments totaling over \$4.2 million to relatives and other Kinship caregivers across the State. The Department also has continued to realize gains in the Child Welfare system, including continued increases in placements of children in family-like settings and with Kinship caregivers, and decreases in congregate care placements.

DSS has emerged from the pandemic stronger, more capable, more efficient and with renewed creativity and determination to fully deploy all available resources to help South Carolinians in need. While the pandemic's negative effects brought great suffering and will be felt for many years to come, South Carolinians are benefitting now from the improved operational efficiencies DSS gained by leveraging technology to work remotely when duty called. The emergency assistance DSS has provided has helped meet the needs of hundreds of thousands of South Carolina's citizens while also disbursing over **\$2.5 billion in federal stimulus funding into the State's economy.**

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