FY 2018-19 Provisos/Legislation with Reporting Timelines
Provisos listed in numerical order

- August 1: FTE Management / FTEs established – 117.14 (Human Resources)
- August 15: Voluntary Separation Incentive Program - 117.32 (Human Resources)
- August 31: Critical Employee Recruitment and Retention – 117.65 (Human Resources)
- September 1: Fees and Fines – 117.74 (Budget Office)
- September 1: Organizational Charts – 117.48 (Human Resources)
- September 15: Accountability Report / Base Budget Analysis – 117.29 (OIRAA)
- October 1: Year-End Financial Statements – 117.58 (Controller)
- October 1: Lottery Funds Monitoring Procedures – 3.1 (Administration & Finance – primarily Controller’s Office)
- October 1: Estimate of Planned General Fund Expenditures (Administration & Finance)
- November 1: Abatements – 11.15 (Budget Office and OIRAA)
- November 1: Outstanding Institutional Debt – 11.16 (Administration and Finance)
- November 1: Travel Report – 117.26 (Controller)*
- February 28: Debt Collection Report – 117.34 (Bursar)
- June 30: Statewide Real Estate Plan Implementation – 117.146 (Facilities)

*Due date for travel report from state agencies to the Comptroller General is mid-September.

PROVISOS

3.1. (LEA: Audit) Each state agency receiving lottery funds shall develop and implement procedures to monitor the expenditures of lottery funds in order to ensure that lottery funds are expended in accordance with applicable state laws, rules, and regulations. For institutions of higher learning, adopted procedures to monitor expenditures of lottery funds shall be reported to the Commission on Higher Education and the Executive Budget Office by October 1, 2018, and these expenditures are subject to annual verification and audit by the Commission on Higher Education on a rotational schedule not to exceed three years. The annual verification and audit shall be funded from the funds appropriated to or authorized for the Commission on Higher Education and the commission shall not assess a fee or charge institutions of higher learning for performing this function. In addition, the Commission on Higher Education shall provide a report to the Executive Budget Office, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee by October first each year summarizing, by institution, how lottery funds were expended in the prior fiscal year, issues and concerns as well as institution responses to those issues and concerns discovered as a result of the commission’s verification and/or audit activity during the prior fiscal year, if any.

11.15. (CHE: Abatements) By November first of each year, state supported institutions of higher learning must submit to the Commission on Higher Education the total number of out-of-state undergraduate students during the prior fiscal year that received abatement of rates pursuant to Section 59-112-70 of the 1976 Code as well as the total dollar amount of the abatements received. The report must include the geo-origin of the student, class of the student, comprehensive listing of all financial awards received by the student, number of semesters the student has received the abated rate, as well as the athletic status of the student. The report must also include the calculation method used to determine the abatement amount awarded to students as well as the number of students that received educational fee waivers pursuant to Section 59-101-620. The Commission on Higher Education is directed to compile the information received from the state-supported institutions of higher learning into a comprehensive report and submit such report
to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by January fifth each year.

11.16. (CHE: Outstanding Institutional Debt) By November first, institutions of higher learning must submit to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Commission on Higher Education, or its successor entity, data on all outstanding institutional debt for their respective institution. Data shall include, but not be limited to, the amount of the initial debt, year in which the debt was incurred, the year in which the debt will be satisfied, the repayment schedule, and the purpose for which the debt was incurred.

117.14. (GP: FTE Management) In order to provide the necessary control over the number of employees, the Executive Budget Office is hereby directed to maintain close supervision over the number of state employees, and to require specifically the following:

1. That no state agency shall exceed the total authorized number of full-time equivalent positions and those funded from state sources as provided in each section of this act except by majority vote of the State Fiscal Accountability Authority.
2. That the Executive Budget Office shall maintain and make, as necessary, periodic adjustments thereto, an official record of the total number of authorized full-time equivalent positions by agency for state and total funding sources.
   a. That within thirty days of the passage of the Appropriation Act or by August first, whichever comes later, each agency of the State must have established on the Executive Budget Office records all positions authorized in the Act. Each agency may, upon notification to the Executive Budget Office, change the funding source of state FTE positions established on the Executive Budget Office records as necessary to expend federal and other sources of personal service funds to conserve or stay within the state appropriated personal service funds. No agency shall change funding sources that will cause the agency to exceed the authorized number of state or total full-time equivalent positions. Each agency may transfer FTEs between programs as needed to accomplish the agency mission.
   b. That by September thirtieth, the office shall prepare a FTE analysis, by agency, which shows the number of authorized, filled, and vacant positions by source of funds for the current and two previously completed fiscal years. The office shall provide a copy of each agency’s FTE analysis to the Senate Finance and House Ways and Means Committees.
3. That full-time equivalent (FTE) positions shall be determined under the following guidelines:
   a. The annual work hours for each FTE shall be the agency’s full-time standard annual work hours.
   b. The state FTE shall be derived by multiplying the state percentage of budgeted funds for each position by the FTE for that position.
   c. All institutions of higher education shall use a value of 0.75 FTE for each position determined to be full-time faculty with a duration of nine months.

   The FTE method of accounting shall be utilized for all authorized positions.
4. That the number of positions authorized in this act shall be reduced in the following circumstances:
   a. Upon request by an agency.
   b. When anticipated federal funds are not made available.
   c. When the Executive Budget Office, through study or analysis, becomes aware of any unjustifiable excess of positions in any state agency.
5. That the number of positions authorized in this act shall be increased for the sole purpose of classifying Temporary, Time Limited and Temporary Grant positions created prior to July 1,
2017, that merit such classification as FTEs because the agency has determined that the duties will continue indefinitely. The new FTEs created through this process and filled by existing non-FTE staff shall be exempt from the posting process. Additionally, affected Temporary Grant and Time-Limited employees shall transfer any unused annual and sick leave to their FTE positions.

The Division of State Human Resources, in consultation with the Executive Budget Office, shall formulate guidelines for the administration of this item. The request by the agency must include a justification for changing the position, justification of an insufficient vacancy pool, identification of sufficient funds with current appropriations, identification of source of funds to be utilized, and assurance that the FTEs are not being used to create new jobs. The guidelines shall also include a process for submitting requests including a deadline for submission of requests.

The Department of Administration shall review the request and approve, deny, or modify it as appropriate. The department shall further ensure that the FTE Constitutional limits are observed. This item in no way requires agencies to submit requests, and does not guarantee any employment status to staff. A report on FTE issuance through this item shall be submitted to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee no later than January sixth of the current fiscal year.

(6 5) That no new permanent positions in state government shall be funded by appropriations in acts supplemental to this act but temporary positions may be so funded. (7 6) That the provisions of this section shall not apply to personnel exempt from the State Classification and Compensation Plan under item I of Section 8-11-260 of the 1976 Code.

The Governor, in making his appropriation recommendations to the Ways and Means Committee, must provide that the level of personal service appropriation recommended for each agency is at least ninety-seven percent of the funds required to meet one hundred percent of the funds needed for the full-time equivalents positions recommended by the Governor (exclusive of new positions).

117.26. (GP: Travel Report) (NOTE THAT STATE AGENCY REPORTING IS DUE TO CG IN MID-SEPTEMBER) Annually on November first, the Comptroller General shall issue a report on travel expenditures for the prior fiscal year which shall be distributed to the Senate Finance Committee, the House Ways and Means Committee, and the Statehouse Press Room. The Comptroller General may use up to $500 of general fund appropriations for the purpose of providing copies to the media or the public upon request. The report must contain a listing for every agency receiving an appropriation in the annual General Appropriations Act. The listing must show at a minimum the top ten percent of employees for whom travel expenses and registration fees were paid within each agency, not to exceed twenty-five employees per agency. Agencies should include position titles for each of the top twenty-five travelers for each agency. Expenditures must include state, federal and other sources of funds. Expenditures for in-state and out-of-state registration fees (fees to attend conferences, teleconferences, workshops, or seminars for training on a per person basis) must be shown as a separate subtotal within the grand total for the individual employees and the agency as a whole. The list for each agency must be in rank order with the largest expenditure first and the name of the employee must be shown with each amount. Agencies should include a brief summary of the type of travel the agency incurs. The Comptroller General may provide additional information as deemed appropriate. The Comptroller General shall provide no exceptions to this report in that the information contained is not considered confidential or restricted for economic development purposes. However, further disclosure of detailed information shall be restricted as provided for by law.

117.29. (GP: Base Budget Analysis) Agencies’ annual accountability reports for the prior fiscal year, as required in Section 1-1-810, must be accessible to the Governor, Senate Finance Committee, House Ways and Means Committee, and to the public on or before September fifteenth, for the purpose of a zero-base budget analysis and in order to ensure that the Agency
Head Salary Commission has the accountability reports for use in a timely manner. Accountability Report guidelines shall require agencies to identify key program area descriptions and expenditures and link these to key financial and performance results measures. The Executive Budget Office is directed to develop a process for training agency leaders on the annual agency accountability report and its use in financial, organizational, and accountability improvement. Until performance-based funding is fully implemented and reported annually, the state supported colleges, universities and technical schools shall report in accordance with Section 59-101-350.

117.32. (GP: Voluntary Separation Incentive Program) State agencies may implement, in consultation with the Department of Administration, a program to realign resources to include provisions for a separation incentive payment for employees which may include the employer portion of health and dental benefits not to exceed one year. Employees participating in such program shall not be eligible to participate in the Teacher and Employee Retention Incentive (TERI) program. Employees participating in such program shall be considered to have voluntarily quit their employment without good cause and be subject to the provisions of Section 41-35-120(1) of the South Carolina Employment Security Law. Any program developed under this provision will involve voluntary participation from employees and will be funded within existing appropriations. The program must be approved by the agency head and the Director of the Human Resources Division based on ability to demonstrate recurring cost savings for realignment and/or permanent downsizing. State agencies shall report the prior year’s results to the Department of Administration by August fifteenth, of the current fiscal year. The Department of Administration, upon request, shall report to the Senate Finance Committee and the House Ways and Means Committee on these results.

117.34. (GP: Debt Collection Reports) Each state agency shall provide to the Chairmen of the Senate Finance and House of Representatives Ways and Means Committees and the Inspector General a report detailing the amount of its outstanding debt and all methods it has used to collect that debt. This report is due by the last day of February for the previous calendar year. For purposes of this provision, outstanding debt means a sum remaining due and owed to a state agency by a nongovernmental entity for more than sixty calendar days.

117.48. (GP: Organizational Charts) All agencies, departments and institutions of state government shall furnish to the Human Resources Division (1) a current personnel organizational chart annually no later than September first of the current fiscal year, or upon the request of the division and (2) notification of any change to the agency’s organizational structure which impacts an employee’s grievance rights within thirty days of such change. The organizational chart shall be in a form prescribed by the Human Resources Division showing all authorized positions, class title, class code, position number and indications as to whether such positions are filled or vacant. In addition, the organizational chart shall clearly identify those employees who are exempt from the State Employee Grievance Procedure Act.

117.58. (GP: Year-End Financial Statements - Penalties) Agencies, institutions, and other reporting entities required to submit annual audited financial statements for inclusion in the State’s Comprehensive Annual Financial Report must submit final audited financial statements to the Comptroller General not later than October first for those with fiscal year-end June thirtieth. The South Carolina Retirement Systems, Insurance Benefits, and Other Post-Employment Benefits Trust Funds administered by the South Carolina Public Employee Benefit Authority must submit their final audited financial statements no later than October fifteenth. For institutions and reporting entities with fiscal year ends other than June thirtieth, final audited financial statements must be submitted to the Comptroller General within 120 days of that fiscal year-end. The Comptroller General shall provide a written report of each agency, institution, or other reporting entity not in compliance with this provision to the State Fiscal Accountability Authority by November thirtieth.
117.65. (GP: Healthcare Critical Employee Recruitment and Retention) The Department of Corrections, Department of Disabilities and Special Needs, Department of Health and Environmental Control, Department of Health and Human Services, Department of Juvenile Justice, Department of Mental Health, Department of Vocational Rehabilitation, and Wil Lou Gray Opportunity School  

**State agencies** are allowed to spend state, federal, and other sources of revenue to provide lump sum bonuses to aid in recruiting and retaining healthcare workers in critical needs healthcare jobs based on objective guidelines established by the Department of Administration which provide services that directly impact the health, safety, and welfare of the public. The employee bonus amount shall be approved by the State Human Resources Director based on State Human Resources guidelines and shall not exceed $10,000 per year. Payment of these bonuses is not a part of the employee’s base salary and is not earnable compensation for purposes of employee and employer contributions to respective retirement systems. These bonuses shall, however, be considered earnings for determining if an employee who has returned to work after retirement is subject to the earning limitation imposed in either Section 9-1-1790(A)(1) or Section 9-11-(4)(a)(i).

These agencies may also provide paid educational leave for any employee in an FTE position deemed critical by the Department of Administration to attend class while enrolled in healthcare degree programs that are related to the agency’s mission. All such leave is at the agency head’s discretion.

These agencies may enter into an agreement with Psychiatrists, Psychologists, and Nurses individuals employed in these critical needs positions to repay them for their outstanding student loans associated with completion of a healthcare relevant degree. The employee must be employed in a critical needs area, which would be identified at the agency head’s discretion. Critical needs areas could include rural areas, areas with high turnover, or where the agency has experienced recruiting difficulties. Agencies may pay these employees up to twenty percent or $7,500, whichever is less, of their outstanding student loan each year over a five-year period. Payments will be made directly to the employee at the end of each year of employment. The agency will be responsible for verifying the principle balance of the employee’s student loan prior to issuing payments.

Employees of these agencies working on a practicum or required clinical experience towards completion of a healthcare degree may be allowed to complete these requirements at their state agency or another state agency at the discretion of the agency head. This field placement at another state agency may be considered work time for participating employees.

These agencies are also authorized to allow tuition reimbursement from a maximum of ten credit hours per semester; allow probationary employees to participate in tuition programs; and provide tuition prepayment instead of tuition reimbursement for employees willing to pursue a degree in a healthcare program. An agency may pay up to fifty percent of an employee’s tuition through tuition prepayment. The remaining tuition could be reimbursed to the employee after successful completion of the class.

The Department of Administration shall approve of the designation of critical needs positions applicable to this provision using guidelines that include, but are not limited to: 1) the difficulty recruiting for the positions as reflected by data such as the vacancy rate maintained, the average time to fill, the lack of sufficient qualified applicants, and other objective factors; 2) the difficulty retaining employees in the positions as shown by turnover data; 3) justification by the state agency that the position is critical to the core mission of the agency and directly impacts the health, safety and welfare of the public; and 4) assurances from the state agency that there are sufficient existing funds available to pay for items under this provision.

Healthcare employees in approved critical needs positions working on a practicum or required clinical experience towards completion of a healthcare degree may be allowed to complete these requirements at their state agency or another state agency at the discretion of the agency head. This field placement at another state agency may be considered work time for participating employees.
State agencies must report to the Department of Administration by August 31st of each year any expenditure under this provision. The Department of Administration shall compile a report of the responses and submit them to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by October 1st of each year.

117.74. (GP: Fines and Fees Report) In order to promote accountability and transparency, each state agency must provide and release to the public via the agency’s website, a report of all aggregate amounts of fines and fees that were charged and collected by that state agency in the prior fiscal year. The report shall include, but not be limited to: (1) the code section, regulation, or proviso that authorized the fines and fees to be charged, collected, or received; (2) the amount of the fine or fee; (3) the amount received by source; (4) the purpose for which the funds were expended by the agency; (5) the amount of funds transferred to the general fund, if applicable, and the authority by which the transfer took place; and (6) the amount of funds transferred to another entity, if applicable, and the authority by which the transfer took place, as well as the name of the entity to which the funds were transferred. The report must be posted online by September first. Additionally, the report must be delivered to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by September first. Funds appropriated to and/or authorized for use by each state agency shall be used to accomplish this directive.

117.146. (GP: Statewide Real Estate Plan Implementation) Pursuant to legislative intent expressed in Proviso 118.2 (Titling of Real Property) of this Act to establish a comprehensive central real property and office facility management process to plan for the needs of state government agencies; and to achieve maximum efficiency and economy in the use of state-owned, state-leased, and commercial leased facilities, all state agencies are directed as follows:

1. In the current occupation of state-owned and commercial facilities or prior to incurring an obligation to expend funds through entering or renewing a lease for state-owned or commercial facilities, state agencies shall work in conjunction with the Department of Administration to achieve uniform space standards in state-owned, state-leased, and commercial leased facilities resulting over time in an overall target density of 210 square feet per person unless otherwise approved by the department.

2. Prior to entering or renewing any contract for leasing real property, state agencies shall comply with the Department of Administration’s site selection criteria for state-owned, state-leased, or commercial leased space.

3. State agencies shall record into the South Carolina Enterprise Information System (SCEIS) all maintenance and operations expenditures for state-owned and state-leased facilities in the manner prescribed by the Department of Administration.

4. State agencies shall provide to the Department of Administration a list of all contracts related to facilities management, maintenance, and support, and shall not renew or enter into any new contracts related to facilities management, maintenance or support without prior approval from the Department of Administration.

5. Under guidance and direction of the Department of Administration, state agencies shall annually report on and submit plans to address ongoing and deferred maintenance for all state-owned real property.

6. State agencies shall annually update and submit an inventory of state-owned facilities and land to the Department of Administration by June 30 of each fiscal year in the manner prescribed by the department. Each submission shall include a portfolio assessment with recommendations for any dispositions.

The Legislative Branch, the Judicial Branch, public institutions of higher learning, technical colleges, political subdivisions and quasi-governmental bodies are generally exempt from the requirements of this proviso; provided, however, that public institutions of higher learning and technical colleges shall be subject to the provisions of paragraph (6) in its entirety, and the
provisions of paragraph (1) with respect to any facility or portion thereof used for administrative and office space.

The Department of Administration shall provide a report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee regarding compliance with this proviso no later than December 31 of each calendar year, beginning December 31, 2018.

OTHER LEGISLATION

SECTION 11-11-350. Each state agency, department, institution, or entity receiving in the aggregate one percent or more of the state's general fund appropriations for any fiscal year shall provide to the Revenue and Fiscal Affairs Office, and the Executive Budget Office an estimate of its planned general fund expenditures for the next three fiscal years. This data, in conjunction with the Board of Economic Advisors' long-term revenue estimate, must be compiled by the Revenue and Fiscal Affairs Office, and the Executive Budget Office into a three-year financial plan that will assist the State in determining and planning for its long-term financial commitments. The plan must be updated annually and prepared for submission to the State Fiscal Accountability Authority and the Governor, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate during the second quarter of each fiscal year.