

H73

Agency Certification and Transmittal Sheet

Code:

H73

Name:

**Vocational Rehabilitation
Department**

Mission Statement: The mission of SC Vocational Rehabilitation Department Basic Services Program is to enable eligible South Carolinians with disabilities to prepare for, achieve and maintain competitive employment. The mission of the Disability Determination Services division is to provide quality disability determinations to South Carolinians in a responsive, timely and cost-effective manner.

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Budget Commission Board
OFFICE OF STATE BUDGET

To the Office of State Budget

This, and accompanying statements, schedules, and explanatory sheets consisting of 69 pages constitute the operating budget estimates of this agency for all proposed expenditures for the 2012-2013 fiscal year.

All statements and explanations contained in the estimates submitted herewith are true and correct to the best of my knowledge.

Signed:

Barbara H. Hollis

(Agency Head)

Date:

09/29/2011

FISCAL YEAR 2012-13 BUDGET PLAN

I. EXECUTIVE SUMMARY

A. Agency Section/Code/Name:

Section 20 – H73 Vocational Rehabilitation

B. Summary Description of Strategic or Long-Term Goals:

1) Prepare and place into competitive employment as many eligible South Carolinians with disabilities as possible, maximizing the significantly reduced funding made available through the state/federal match. Redirection of staff resources is an ongoing initiative; the agency continues to examine its staffing patterns and staff roles to maximize its resources. Several roles have been centralized or redefined to effect cost savings and make the best use of local staff in quality service delivery. (Acc. Report Executive Summary, results in sections 7.1, 7.5)

(2) Standards of Excellence, including Program Integrity measures, which reflect a balance among compliance with enabling legislation, quality customer service and productivity, adding up to successful outcomes for clients. This is accomplished through a team concept maximizing advanced technologies and human resource development, with oversight from the Committee on Rehabilitation Excellence. (Accountability Report Sections 1, 7.1, 7.5)

(3) Exceptional customer focused vocational rehabilitation services resulting in competitive employment at an average cost significantly less than national and regional averages among vocational rehabilitation programs, with a goal of increased rates of return on the taxpayer investment. (Acc. Report Section 7.3)

(4) Build strong partnerships with South Carolina's business community and other agencies to maximize the employment potential of citizens with disabilities. (Acc. Report Section 7.2)

(5) Build for the future by providing an exceptional Professional Development and Leadership Program to prepare staff for leadership roles. (Acc. Report Section 7.4-4, 5.13)

(6) Seek alternative funding to improve the department's level of services through acquisition of grants, increased reimbursements from the Social Security Administration for job placements of clients who no longer rely on disability benefits, and coordination of payment for services by third party agencies/organizations. (Acc. Report Section 7.3-9)

(7) Enhance school-to-work transition services to enable more students with significant disabilities to become self-supportive, productive citizens through gainful employment. (Acc. Report Executive Summary, Sections 2 and 7.5-2)

(8) Development and implementation of enhanced case management system; the system is being designed to follow the logical flow of service delivery in a totally electronic, user-friendly environment that maximizes staff resources. (Acc. Report Exec. Summary and Section 2)

(9) Training Center Balance; VR work training centers seek to balance the need to provide a variety of rehabilitation services of the greatest benefit to clients with the financial requirements of the centers. (Acc. Report Sections 7.3, 7.5)

(10) Maintenance of the agency's owned-and-operated facilities, many of which are more than 20 years old and in need of repairs to continue to effectively serve agency clients and business partners. Construction of new facilities where disability populations are unserved or underserved. (Acc. Report Executive Summary)

C. 2011-2012 Agency Recurring Base Appropriation:

State \$ 8,479,941

Federal \$105,321,970 (40% of federal funds is for SSA Disability Determination services, not VR client services)

Other \$ 25,233,436

D. Number of Budget Categories:

5

E. Agency-wide Vacant FTEs

Vacant FTEs as of July 31, 2011: 171.75

% Vacant 13.58%

F. Efficiency Measures:

a. The department ranks second nationally in the lowest cost per rehabilitation, is eleventh in lowest cost per client served (Acc. Report 7.3), and is second nationally in the number of people rehabilitated per 100,000 population. (Acc. Report 7.1)

b. Cost benefit analysis shows that SCVRD clients who become employed return an estimated \$3.16 in taxes for every dollar spent on their rehabilitation. They repay the cost of their rehabilitation in an average of 6.15 years, an annual rate of return of 16.3 percent. (Acc. Report Section 7.3)

- c. The agency's Standards of Excellence are vital areas of performance in service delivery and operations. The standards include the Program Integrity index for compliance, customer service, productivity and quality; this provides specific results that can be broken down at many levels, from team performance to statewide performance. The system enables the department to identify opportunities for improvement in meeting customer needs and drives corrective actions, such as shifts in personnel or development of new training. (Accountability Report Section 7.1)
- d. The department reimbursements from the Social Security Administration were \$477,768 in FY 2011. This reimbursement is a direct reflection of savings realized by Social Security because the department's clients became competitively employed and no longer relied on SSI/SSDI benefits. (Acc. Report Section 7.3)
- e. The department continued its development and implementation of an enhanced electronic case management system, with the completion of the vocational assessment phase. Earlier the eligibility phase was completed and centralized compliance reviews showed improved results for the second consecutive year. (Acc. Report 7.6-4)
- f. School to work transition services continued to be enhanced and referrals from high schools increased by 27 percent from the previous year (Acc. Report 7.5-2).
- g. Safety in department facilities is a focus and the department's safety and risk management program paid off as the reduction of injuries over the past three years resulted in a reduction of \$166,887 in SCVRD's workers' compensation premium for 2011. The agency also received \$200,473 in credits from the previous year's premium due to lower than expected claim costs. (Acc. Report 7.4-5)

G. Number of Provisos:

6

IIA. OPERATING BUDGET PROGRAMS

Agency Section/Code/Name: Section 20 H73 Vocational Rehabilitation

SUMMARY OF OPERATING BUDGET PROGRAMS FOR FY 2012-13

OPERATING BUDGET PROGRAMS			FUNDING					FTEs			
Title	Activity Name	Activity No.	Non-Recurring State	Recurring State	Federal	Other	Total	State	Federal	Other	Total
I. Administration	Administration	838		1,055,180	6,707,787	446,468	8,209,435	17.28	54.72		72.00
II. Vocational Rehabilitation Program											
II.A. Basic Services	Direct Client Services Provided, Client Services Purchased, Residential Substance Abuse Vocational Treatment Centers Client Services Purchased, Residential Substance Abuse Vocational Treatment Centers	839, 840, 1516, 1517		11,971,991	50,606,006	3,242,011	65,820,008	171.43	552.33	47.00	770.76
II.B. Special Projects	In-Service Training, Supported Employment, Independent Living, Job Readiness Training Contracts, SSA Program, WIPA Grant, Miscellaneous Grants	841, 842, 843, 844, 845, 846, 848		66,557	1,635,092	2,415,347	4,116,996	0.00	16.50	10.50	27.00
II.C. Work Training Center Production	Work Training Center Production	849				21,000,000	21,000,000				0.00
III. Disability Determination Services *	Disability Determination Services	850			49,166,784	3,351,216	52,518,000		381.36	16.15	397.51
							0				0.00
For additional rows, place cursor in this gray box and press "Ctrl" + "b". (You need to start in this gray box for each row needed or the formulas will not copy properly.)											
TOTAL OF ALL OPERATING BUDGET PROGRAMS			0	13,093,728	108,115,669	30,455,042	151,664,439	188.71	1,004.91	73.65	1,267.27

* - Disability Determination Services is a stand alone program and has no impact on the Vocational Rehabilitation Basic Services program.

IIB. CAPITAL BUDGET/NON-RECURRING REQUESTS FOR FY 2012-13
Agency Section/Code/Name: Section 20 H73 Vocational Rehabilitation

SUMMARY OF CAPITAL BUDGET/NON-RECURRING REQUESTS FOR FY 2012-13

CAPITAL BUDGET/NON-RECURRING REQUESTS				Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Project No.*	Project Name	Activity Name	Activity No.				
	No Requests						0
							0
							0
							0
							0
For additional rows, place cursor in this gray box and press "Ctrl" + "c". (You need to start in this gray box for each row needed or the formulas will not copy properly.)							
TOTAL OF ALL CAPITAL BUDGET/NON-RECURRING REQUESTS				0	0	0	0

*if applicable

A. Summary description of programs and how they relate to the mission of the agency:

Administration program includes the performance of administrative functions to manage the Vocational Rehabilitation (VR) program. Activities include support activities such as training and staff development, human resources, financial management, budgeting, procurement, and information systems.

B. Budget Program Number and Name:

I. Administration

C. Agency Activity Number and Name:

Note: If more than one activity maps to this program; provide all activity numbers, names, and approximate funding amounts.

Activity Number	Activity Name	State Non-Recurring	State Recurring	Federal	Other	Total
838	Administration		1,055,180	6,707,787	446,468	8,209,435

D. Performance Measures:

All Administrative Departments work to facilitate the Area Offices' efforts to meet successful rehabilitation goals and Disability Determination Services goals. The Departments are held accountable to Statewide Standards of Excellence. The department's percentage of administrative costs are lower than average for state VR programs in the Southeast and the eighth lowest in the nation. (*Accountability Report 7.3-8*)

E. Program Interaction:

See Summary Description above

F. Change Management:

SCVRD's biggest changes have involved maximizing reduced resources to continue providing quality services enabling people with disabilities to be gainfully employed. The economic downturn has affected the agency's efforts and the availability of jobs for clients. The agency's recurring funding has dropped to its lowest level since 1980 and the impact has been seen in some of the agency's results. A critical challenge is in retention of enough state funding to meet the agency's current federal match, which brings nearly \$4 in federal funding for each state dollar appropriated. The agency's current base funding is \$4.6 million below the level needed to match the federal funds allotted to the state. SCVRD is relinquishing \$6 million of its most recent federal allotment due to lack of matching dollars. The agency has implemented hiring freezes, employee furloughs, reduction in part-time hours, reduction in travel, and deferred purchases of equipment.

The focus and structure of administration has also changed drastically due to implementation of the SCEIS statewide financial system. Departments have been reorganized to better meet functionality requirements of this ERP system. We find that training of our staff in this new system is an ongoing need. Additionally, we are analyzing and implementing new processes to meet financial requirements of our programs that are not fully

III. Budget Category Justification Sheet	Agency Code H73	Agency Name Vocational Rehabilitation Department
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addressed in the SCEIS arena. Focus of administration continues to be supporting the Vocational Rehabilitation and Disability Determination Services programs to assist in meeting the needs of our clients and claimants.

G. Detailed Funding Information:

FY 2012-13 Cost Estimates:	State Non-Recurring	State Recurring	Federal	Other	Total
Number of FTEs*		17.28	54.72	0.00	72.00
Personal Service	\$0	\$774,154	\$3,734,861	\$15,000	\$4,524,015
Employer Contributions	\$0	\$281,026	\$837,926	\$316,468	\$1,435,420
Program/Case Services	\$0	\$0	\$0	\$0	\$ 0
Pass-Through Funds	\$0	\$0	\$0	\$0	\$ 0
Other Operating Expenses	\$0	\$0	\$2,135,000	\$115,000	\$2,250,000
Total	\$ 0	\$1,055,180	\$6,707,787	\$ 446,468	\$8,209,435

* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.

Is this budget category or program associated with a Capital Budget Priority? No
 If yes, state Capital Budget Priority Number and Project Name:.

Please List proviso numbers that relate to this budget category or programs funded by this category. Proviso 20.3

H. Changes to the Appropriation:

Please explain any changes, to include re-alignments and funding or FTE increases requested in this year's appropriation, as detailed below:

Funding:

Year	State Non-Recurring	State Recurring	Federal	Other (Earmarked or Restricted)
2011-2012 Act		835,791	7,154,255	-0-
2012-2013 Act		1,055,180	6,707,787	446,468
Difference		219,389	(446,468)	446,468
% Difference		26%	- 6%	100%

For the agency to provide the level of quality services needed by clients to achieve successful employment outcomes, funding is needed to optimize the full amount of grant for provision of services as allotted the agency by the Rehabilitation Services Administration.

The agency currently has earmarked funds available generated as federal program income. Federal funds available to help people with disabilities have diminished as a result of insufficient state matching funds.

I. Revenue Estimates:

Please detail Sources of revenue for this program, identified by SAP fund number if a live SCEIS agency or the STARS number if a STARS agency. If several sources remit to a single subfund that cannot be split by source and appropriation or program, provide an estimate of the revenue dedicated to this program.

SAP Fund Number	Source Name	General Fund	Other State	Earmarked	Restricted	Federal
10010000	General	1,055,180				

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Vocational Rehabilitation Department

	Fund					
50020000	Consolidated Federal					6,707,787
39800001	Training Center Funds Clearing			362,063		
33170005	Basic Support Match – County Revenue			25,000		
33470000	Basic Support Program Income			59,405		

If expenditures for this program are greater than known or estimated revenues and the intent is to bridge part of this shortfall by drawing down balances in agency accounts or reserves, indicate the accounts and amount of the current reserve or balance that will likely be used below.

The agency will expend \$362,063 in earmarked program income account balances.

Please detail the long-term sustainability of this program if cash reserves are needed to operate.

This program is sustainable assuming continued availability of state and federal funds.

If there is federal fund or other fund spending authority requested above the revenue streams detailed above, please indicate the amount and explanation for each.

J. FTE Positions:

Please detail the number of FTE's filled (F) by the program as of June 30 of each fiscal year, and the number authorized (A) by the Appropriations Act.

Fiscal Year	State	Other-Earmarked or Restricted	Federal	Total	Temporary, Temporary Grant, Time -limited
2012-2013 (A)	17.28		54.72	72.00	
2011-2012 (A)	17.28		54.72	72.00	
2010-2011 (F)	11.12		64.88	76.00	
2010-2011 (A)	18.28		54.72	73.00	
2009-2010 (F)	11.68		66.32	78.00	
2009-2010 (A)	22.60		50.40	73.00	
2008-2009 (F)	21.70		48.30	70.00	
2008-2009 (A)	22.60		50.40	73.00	
2007-2008 (F)	23.20		51.80	75.00	
2007-2008 (A)	22.60		50.40	73.00	

K. Detailed Justification for FTEs:

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) **Position Details:**

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

A. Summary description of programs and how they relate to the mission of the agency:

VR employees provide assessment, counseling, job readiness training, and guidance and placement services to enable eligible South Carolinians to prepare for, achieve and maintain competitive employment. To assist individuals in overcoming the unique barriers they experience, the agency offers a variety of purchased goods and services, including diagnosis and treatment, academic, occupational and on-the-job training, rehabilitation technology, mobility/transportation, and communication services or devices.

There is a great economic growth benefit from successful rehabilitations. Through SCVRD's client service program, successfully employed clients become taxpaying members of the workforce rather than relying on Social Security disability benefits, Medicaid and other public assistance. They repay the cost of their rehabilitation (through taxes) in an average of 6.1 years. This activity is a statewide effort affecting each client (serving 41,721 clients last year). The services offered in this one activity reach throughout the state by a network of offices and training centers, all providing the complete array of services offered by the department geared toward the ultimate successful employment of the client. Statutory authority is found at Chapter 31, Section 43-31-60.

B. Budget Program Number and Name:

II. Vocational Rehabilitation Program
A. Basic Services

C. Agency Activity Number and Name:

Note: If more than one activity maps to this program; provide all activity numbers, names, and approximate funding amounts.

Activity Number	Activity Name	State Non-Recurring	State Recurring	Federal	Other	Total
839	Direct Client Services Provided		9,031,991	40,406,006	3,212,011	52,650,008
840	Client Services Purchased		2,500,000	8,179,000		10,679,000
1516	Residential Substance Abuse Vocational Treatment Centers Client Services, Purchased			21,000		21,000
1517	Residential Substance Abuse Vocational Treatment Centers		440,000	2,000,000	30,000	2,470,000

D. Performance Measures: Detail the Previous 3 Years of Metrics

During the past three years the number of successful employment outcomes for agency clients decreased as high unemployment rates impacted placement efforts and the agency implemented measures to address state budget cuts. There were 8,510 successful outcomes in 2009, 7,671 in 2010 and 7,304 in 2011. The agency's decreases mirrored regional U.S. trends.

During that same three year period referrals dropped from 20,000 in 2009 to 17,500 in 2011 as the agency's staffing shortages lessened its presence in itinerant sites.

The agency's total cost per client rehabilitated continued to show great efficiency over the period, bettering regional and national averages each year and ranking second lowest in the nation in 2009 and 2011 and third in 2010.

The agency’s cost benefit analysis showed that successfully employed clients for 2011 will repay the cost of their rehabilitation in six years and will eventually repay more than three dollars in taxes for every dollar spent on their rehabilitation.

The Rehabilitation Services Administration’s performance standards and indicators for VR agencies showed that SCVRD met the three primary indicators each of the past three years. Those were for percentage of clients with employment outcomes who were competitively employed; percentage of competitively employed clients having “significant” disabilities; and ratio of rehabilitated client wages compared to state average wage.

E. Program Interaction:

Because of reduced staffing levels, local service delivery staff have taken on significantly higher workloads in order to address client service needs. The agency is also sharing office space with SC Commission for the Blind to serve its constituencies efficiently.

F. Change Management:

In the short-term, the agency has been able to serve clients by adapting staffing patterns and roles to address diminishing resources. For the long-term, it cannot sustain service delivery in light of hiring freezes, furloughs, and static compensation.

G. Detailed Funding Information:

FY 2012-13 Cost Estimates:	State Non-Recurring	State Recurring	Federal	Other	Total
Number of FTEs*		171.43	552.33	47.00	770.76
Personal Service	\$0	\$6,977,845	\$25,702,272	\$1,615,679	\$34,295,796
Employer Contributions	\$0	\$2,494,146	\$8,503,734	\$524,928	\$11,522,808
Program/Case Services	\$0	\$2,500,000	\$8,200,000	\$0	\$10,700,000
Pass-Through Funds	\$0	\$0	\$0	\$0	\$ 0
Other Operating Expenses	\$0	\$0	\$8,200,000	\$1,101,404	\$9,301,404
Total	\$ 0	\$11,971,991	\$50,606,006	\$3,242,011	\$65,820,008

* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.

Is this budget category or program associated with a Capital Budget Priority? No
If yes, state Capital Budget Priority Number and Project Name:.

Please List proviso numbers that relate to this budget category or programs funded by this category. Provisos 20.1, 20.2, 20.4, 20.5, 20.6, 89.6, 89.14, 89.26, 89.6, and 89.140

H. Changes to the Appropriation:

Please explain any changes, to include re-alignments and funding or FTE increases requested in this year’s appropriation, as detailed below:

Funding:

Year	State Non-Recurring	State Recurring	Federal	Other (Earmarked or Restricted)
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2011-2012 Act	2,500,000	7,577,593	51,606,006	2,242,011
2012-2013 Act		11,971,991	50,606,006	3,242,011
Difference	(2,500,000)	4,394,398	(1,000,000)	1,000,000
% Difference		58%	- 2%	45%

Explanation of Changes:

Funding is needed to optimize full amount of grant for provision of services to people with disabilities. The agency is currently \$4.6 million dollars below state match required to sustain South Carolina’s program statewide. Without sufficient state matching funds the program stands to lose nearly four dollars in federal funding for each dollar below the state match; the agency would face the prospect of losing approximately 1/3 of its program funding (\$21 million when potential state and federal losses are combined), which would have a major impact on vocational rehabilitation services throughout South Carolina. It is estimated that losses on this level could affect vocational rehabilitation services to approximately 11,800 South Carolinians with disabilities. This request to increase recurring funding would preserve part of the federal match needed for the agency to adequately serve all eligible South Carolinians with disabilities, preparing them for employment. Successful rehabilitation of clients results in a return on the state’s investment as these clients repay the cost of their rehabilitation by becoming taxpayers. (see section D above)

I. Revenue Estimates:

Please detail Sources of revenue for this program, identified by SAP fund number if a live SCEIS agency or the STARS number if a STARS agency. If several sources remit to a single subfund that cannot be split by source and appropriation or program, provide an estimate of the revenue dedicated to this program.

SAP Fund Number	Source Name	General Fund	Other State	Earmarked	Restricted	Federal
10010000	General Fund	11,971,991				
50020000	Consolidated Federal					50,606,006
39800001	Training Center Funds Clearing			3,080,107		
34260000	Residential Center Revenue			21,904		
33170004	Basic Support Match – DMH			140,000		

If expenditures for this program are greater than known or estimated revenues and the intent is to bridge part of this shortfall by drawing down balances in agency accounts or reserves, indicate the accounts and amount of the current reserve or balance that will likely be used below.

The agency will expend \$3,080,107 in earmarked program income account balances.

Please detail the long-term sustainability of this program if cash reserves are needed to operate.

This program is sustainable, but at a much more limited capacity unless match funds are available to draw down all awarded federal funds.

If there is federal fund or other fund spending authority requested above the revenue streams detailed above, please indicate the amount and explanation for each.

J. FTE Positions:

Please detail the number of FTE's filled (F) by the program as of June 30 of each fiscal year, and the number authorized (A) by the Appropriations Act.

Fiscal Year	State	Other-Earmarked or Restricted	Federal	Total	Temporary, Temporary Grant, Time -limited
2012-2013 (A)	171.43	47.00	552.33	770.76	
2011-2012 (A)	171.43	47.00	552.33	770.76	
2010-2011 (F)	140.88	37.00	452.12	630.00	
2010-2011 (A)	174.43	47.00	552.33	773.76	
2009-2010 (F)	144.54	44.00	454.46	643.00	
2009-2010 (A)	215.38		558.38	773.76	
2008-2009 (F)	185.70	44.00	440.30	670.00	
2008-2009 (A)	215.38	5.15	558.38	778.91	
2007-2008 (F)	181.50	0.00	472.50	654.00	
2007-2008 (A)	215.38	5.15	558.38	778.91	

K. Detailed Justification for FTEs:

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) **Position Details:**

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

A. Summary description of programs and how they relate to the mission of the agency:

Special Projects include specific grant funded programs to augment the Basic Services program, including specialized outreach to targeted areas. These projects include In-Service Training, Supported Employment, Independent Living, Job Readiness Training Contracts, SSA Program, WIPA, and Youth Employment Services

B. Budget Program Number and Name:

II. Vocational Rehabilitation Program
B. Special Projects

C. Agency Activity Number and Name:

Note: If more than one activity maps to this program; provide all activity numbers, names, and approximate funding amounts.

Activity Number	Activity Name	State Non-Recurring	State Recurring	Federal	Other	Total
841	In-Service Training		22,457	202,115		224,572
842	Supported Employment			315,486		315,486
843	Independent Living		30,000	270,000		300,000
844	Job Readiness Training				1,615,347	1,615,347
845	SSA Reimbursement Program				800,000	800,000
846	WIPA		14,100	272,992		287,092
848	YES			574,499		574,499

D. Performance Measures:

These projects vary widely in scope from direct service provision to support services for staff and people with disabilities. The key metric for the agency is successful employment outcomes for people with disabilities.

FY2009: 8,510
 FY2010: 7,671
 FY2011: 7,304

Other examples of measures include:

For the five-year In-Service Training grant updates on stated objectives are reported each year to the grantor (Rehabilitation Services Administration) which requires successful accomplishment of objectives to meet renewal standards. During the past three years the department has held or participated in 462, 404 and 460 training events respectively.

Reimbursements from the Social Security Administration have totaled:

FY2009: \$899,897
 FY2010: \$631,088
 FY2011: \$477,768

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The Job Readiness Training funds support services outlined in Section II.C.
 Number of clients who receive job readiness training services in the agency's work training centers.
 FY2009: 6,379
 FY 2010: 4,338
 FY2011: 5,594

Work Training Center revenues reinvested into Center operations:
 FY2009 \$17 million
 FY 2010: \$16.4 million
 FY2011: \$19.2 million

The YES grant is a component of the agency's school to work transition services for clients ages 16- to 21. The number of persons with disabilities served in this age group:
 FY2009: 9,997
 FY2010: 9,671
 FY2011: 10,009

E. Program Interaction:

These special projects augment the Basic Services program through supportive employment activities, incentives to work for SSI/SSDI clients, work transition services for youth, and support of independent living services.

F. Change Management:

In response to the need and national directives from our governing federal agency, part of the change in focus of the Basic Services program has been to target transition aged students with disabilities as well as others with the most significant disabilities. These special projects allow us to target those populations.

G. Detailed Funding Information:

FY 2012-13 Cost Estimates:	State Non-Recurring	State Recurring	Federal	Other	Total
Number of FTEs*		0.00	16.50	10.50	27.00
Personal Service	\$0	\$0	\$658,615	\$1,525,000	\$2,183,615
Employer Contributions	\$0	\$0	\$182,473	\$205,752	\$ 388,225
Program/Case Services	\$0	\$0	\$261,889	\$374,595	636,484
Pass-Through Funds	\$0	\$0	\$270,000	\$0	270,000
Other Operating Expenses	\$0	\$66,557	\$262,115	\$310,000	\$638,672
Total	\$ 0	\$ 66,557	\$1,635,092	\$ 2,415,347	\$ 4,116,996
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

Is this budget category or program associated with a Capital Budget Priority? No
 If yes, state Capital Budget Priority Number and Project Name:.

Please List proviso numbers that relate to this budget category or programs funded by this category. Proviso 20.1, 89.10, 89.14, 89.26, and 89.140

H. Changes to the Appropriation:

Please explain any changes, to include re-alignments and funding or FTE increases requested in this year's appropriation, as detailed below:

Funding:

Year	State Non-Recurring	State Recurring	Federal	Other (Earmarked or Restricted)
2011-2012 Act			1,706,032	2,640,209
2012-2013 Act			1,635,092	2,415,347
Difference			(70,940)	(224,862)
% Difference			-4%	-9%

Explanation of Changes:

COSIG grant ended during 2011-2012 resulting in federal funds reduction of \$70,940

Upper Savannah WIA contract ended in 2011-2012 resulting in earmarked funds reduction of \$224,862

I. Revenue Estimates:

Please detail Sources of revenue for this program, identified by SAP fund number if a live SCEIS agency or the STARS number if a STARS agency. If several sources remit to a single subfund that cannot be split by source and appropriation or program, provide an estimate of the revenue dedicated to this program.

SAP Fund Number	Source Name	General Fund	Other State	Earmarked	Restricted	Federal
10010000	General Fund	66,557				
50020000	Consolidated Federal					1,635,092
39800002	Contract Specific			1,615,347		
38720000	Social Security Contract			800,000		

If expenditures for this program are greater than known or estimated revenues and the intent is to bridge part of this shortfall by drawing down balances in agency accounts or reserves, indicate the accounts and amount of the current reserve or balance that will likely be used below.

The agency will expend \$1,615,347 in earmarked program income account balances.

Please detail the long-term sustainability of this program if cash reserves are needed to operate.

Those most aligned with the Basic Services program would be sustainable only at the expense of other Basic Services. Others (Independent Living, WIPA and SSA Reimbursement program) would not be sustainable.

If there is federal fund or other fund spending authority requested above the revenue streams detailed above, please indicate the amount and explanation for each.

J. FTE Positions:

Please detail the number of FTE's filled (F) by the program as of June 30 of each fiscal year, and the number authorized (A) by the Appropriations Act.

Fiscal Year	State	Other-Earmarked or	Federal	Total	Temporary, Temporary Grant,
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		Restricted			Time -limited
2012-2013 (A)		10.50	16.50	27.00	
2011-2012 (A)		10.50	16.50	27.00	
2010-2011 (F)		12.00	14.00	26.00	
2010-2011 (A)		9.00	18.00	27.00	
2009-2010 (F)		12.00	15.00	27.00	
2009-2010 (A)		9.00	18.00	27.00	
2008-2009 (F)		14.00	12.00	26.00	
2008-2009 (A)		9.00	18.00	27.00	
2007-2008 (F)		11.00	15.00	26.00	
2007-2008 (A)		9.00	18.00	27.00	

K. Detailed Justification for FTEs:

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) **Position Details:**

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

A. Summary description of programs and how they relate to the mission of the agency:

The agency generates and reinvests program income so that much needed services can continue to be provided to help clients prepare for and obtain competitive employment. More than 450 businesses and industries statewide have outsource agreements with SCVRD's 24 work training centers. Clients build the job skills and work endurance they need to compete in the workplace within a simulated work environment. They also learn the interactive skills required to work with supervision and get along with others on the job. In return, South Carolina's business community receives quality work at reasonable prices. This program has allowed the agency to continue providing some services that it may not have been able to continue without these revenues due to budget issues. Statutory authority is found at Chapter 31, Section 43-31-60.

B. Budget Program Number and Name:

- II. Vocational Rehabilitation Program
- C. Work Training Centers Production

C. Agency Activity Number and Name:

Note: If more than one activity maps to this program; provide all activity numbers, names, and approximate funding amounts.

Activity Number	Activity Name	State Non-Recurring	State Recurring	Federal	Other	Total
849	Work Training Center Production				21,000,000	21,000,000

D. Performance Measures:

Number of clients who receive job readiness training services in the agency's work training centers.
 FY2009: 6,379
 FY 2010: 4,338
 FY2011: 5,594

Work Training Center revenues reinvested into Center operations:
 FY2009 \$17 million
 FY 2010: \$16.4 million
 FY2011: \$19.2 million

E. Program Interaction:

This program is an integral part of the Basic Services program providing job readiness training skills to prepare clients for competitive employment. This program includes the production costs only to service outsource agreements with business and industry. Overhead (staff salaries and other costs to run the training centers) is included in Basic Services Program and Special Projects Job Readiness Training.

F. Change Management:

With the implementation of SCEIS statewide financial system, production processes have changed significantly. Training Center staff adapted to meet functionality requirements of this ERP system. Training of staff in this new

III. Budget Category Justification Sheet	Agency Code H73	Agency Name Vocational Rehabilitation Department
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system is an ongoing need. Additionally, the agency is analyzing and implementing new processes to meet financial requirements of its programs that are not fully addressed in the SCEIS arena. The primary focus of the production program continues to be job readiness training to prepare clients for competitive employment.

G. Detailed Funding Information:

FY 2012-13 Cost Estimates:	State Non-Recurring	State Recurring	Federal	Other	Total
Number of FTEs*		0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0
Program/Case Services	\$0	\$0	\$0	\$0	\$ 0
Pass-Through Funds	\$0	\$0	\$0	\$0	\$ 0
Other Operating Expenses	\$0	\$0	\$0	\$21,000,000	\$21,000,000
Total	\$ 0	\$ 0	\$ 0	\$ 21,000,000	\$ 21,000,000
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

Is this budget category or program associated with a Capital Budget Priority? No
 If yes, state Capital Budget Priority Number and Project Name:.

Please List proviso numbers that relate to this budget category or programs funded by this category. Provisos 20.1, 89.10, 89.14, and 89.140

H. Changes to the Appropriation:

Please explain any changes, to include re-alignments and funding or FTE increases requested in this year's appropriation, as detailed below:

Funding:

Year	State Non-Recurring	State Recurring	Federal	Other (Earmarked or Restricted)
2011-2012 Act				17,000,000
2012-2013 Act				21,000,000
Difference				4,000,000
% Difference				24%

Explanation of Changes:

Due to implementation of accrual based accounting system, more authority is needed to allow for inventory movements.

I. Revenue Estimates:

Please detail Sources of revenue for this program, identified by SAP fund number if a live SCEIS agency or the STARS number if a STARS agency. If several sources remit to a single subfund that cannot be split by source and appropriation or program, provide an estimate of the revenue dedicated to this program.

SAP Fund Number	Source Name	General Fund	Other State	Earmarked	Restricted	Federal
33640000	Richland			539,000		

III. Budget Category Justification Sheet

Agency Code
H73

Agency Name
Vocational Rehabilitation Department

	WTC					
34240000	Laurens WTC			759,000		
34270000	Florence WTC			385,000		
34280000	Conway WTC			539,000		
34290000	Walterboro WTC			990,000		
34300000	Aiken WTC			1,875,000		
34310000	Anderson WTC			528,000		
34320000	Orangeburg WTC			660,000		
34330000	Lexington WTC			1,800,000		
34340000	Greenville WTC			968,000		
34350000	Greenwood WTC			753,500		
34360000	Sumter WTC			3,100,000		
34370000	Charleston WTC			632,500		
34380000	Spartanburg WTC			550,000		
34390000	Rock Hill WTC			638,000		
34500000	Lancaster WTC			478,500		
34510000	Beaufort WTC			605,000		
34520000	Oconee- Pickens WTC			715,000		
34530000	Camden WTC			374,000		
35500000	Kingstree WTC			115,500		
36130000	Gaffney WTC			1,100,000		
37010000	Hartsville WTC			1,230,000		
37670000	Marlboro WTC			950,000		
38770000	Berkeley- Dorchester WTC			77,000		
39040000	Greer WTC			638,000		

If expenditures for this program are greater than known or estimated revenues and the intent is to bridge part of this shortfall by drawing down balances in agency accounts or reserves, indicate the accounts and amount of the current reserve or balance that will likely be used below.

Please detail the long-term sustainability of this program if cash reserves are needed to operate.

If there is federal fund or other fund spending authority requested above the revenue streams detailed above, please indicate the amount and explanation for each.

J. FTE Positions:

Please detail the number of FTE's filled (F) by the program as of June 30 of each fiscal year, and the number authorized (A) by the Appropriations Act.

Fiscal Year	State	Other-Earmarked or Restricted	Federal	Total	Temporary, Temporary Grant, Time -limited
2012-2013 (A)					
2011-2012 (A)					
2010-2011 (F)					
2010-2011 (A)					
2009-2010 (F)					
2009-2010 (A)					
2008-2009 (F)					
2008-2009 (A)					
2007-2008 (F)					
2007-2008 (A)					

K. Detailed Justification for FTEs:

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) **Position Details:**

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

A. Summary description of programs and how they relate to the mission of the agency:

Disability Determination Services (DDS) evaluates claims for disability benefits filed under provisions of the Social Security Act and additional claims filed under the provisions of the South Carolina Retirement System, the Homestead Exemption Act and Title XIX Medicaid Claims for SC Dept of HHS.

B. Budget Program Number and Name:

III. Disability Determination Services

C. Agency Activity Number and Name:

Note: If more than one activity maps to this program; provide all activity numbers, names, and approximate funding amounts.

Activity Number	Activity Name	State Non-Recurring	State Recurring	Federal	Other	Total
850	Disability Determination Services			49,166,784	3,351,216	52,518,000

D. Performance Measures:

The DDS program goals are to adjudicate the disability claims as effectively and efficiently as possible and achieve performance measures as measured by Social Security Administration in the case of the federal SSA disability workload.

FY09: Productivity was 69,362 cases; quality was 98.3% and cost per case was \$479.54

FY10: Productivity was 82,035 cases, quality was 95.9% and cost per case was \$462.27

FY11: Productivity was 93,580, quality was 97.7% and cost per case was \$434.91

In all 3 years, the SSA set the productivity goals, which SCVRD DDS met each year.

Quality averages for the 3 years at the National and Regional levels were as follows:

FY 09: National: 96.3%, Regional : 96.4%

FY10: National: 97.9%, Regional: 98.1%

FY11: National: 97%; Regional: 96.7%

Cost per Case at the National and Regional levels were as follows:

FY 09: National \$490.29; Regional: \$422.46

FY10: National \$501.06, Regional: \$440.24

FY11: National \$487.88; Regional : \$401.41

In addition to the Federal workload, the SCVRD DDS processed the following claims for DHHS, SCRS and Homestead Exemption:

FY09

III. Budget Category Justification Sheet	Agency Code H73	Agency Name Vocational Rehabilitation Department
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Medicaid (DHHS) 10,527
 SCRS 1,552
 Homestead 23

FY10

Medicaid (DHHS) 11,694
 SCRS 1,797
 Homestead: 28

FY11

Medicaid 11,538
 SCRS 2,057
 Homestead 11

E. Program Interaction:

The SSI/SSDI Outreach, Access, and Recovery (SOAR) is a strategy that helps states to increase access to mainstream benefits for people who are homeless or at risk of homelessness through training, technical assistance and strategic planning. This initiative is a collaborative effort by SSA, SCVRD DDS, South Carolina Department of Mental Health (SCDMH), Department of Corrections, VA Hospital, Community homeless programs, medical and health providers and other interested stakeholders to insure that this vulnerable population’s needs are meet.

F. Change Management:

The growth in the Disability Determination Services program is counter-cyclical. When the economy experiences a downturn, claims for disability determination increase. As a result of the economic downturn over the past few years, the DDS program has hired more staff to handle the increased number of claims that were experienced. Over the past 3 years, several national initiatives have had a positive outcome for the citizens of SC. SCVRD DDS processed Quick Decision Cases (generally the impairment is terminal) on average of 8 days. The SCVRD DDS works closely with the Wounded Warriors unit at Fort Jackson, South Carolina to process military casualty cases as efficiently and effectively as possible. SCVRD DDS also works in collaboration with SLED, OIG, and SSA in a Cooperative Disability Unit, which investigates fraud and similar fault. The SC CDI unit is number 3 in the nation in cost savings to the SSA program (there are 22 CDI units nationally); saving \$4,419,531 in SSA benefits in FY10 ; and \$7,292,462 in SSA benefits dollars in FY11.

G. Detailed Funding Information:

FY 2012-13 Cost Estimates:	State Non-Recurring	State Recurring	Federal	Other	Total
Number of FTEs*		0.00	381.36	16.15	397.51
Personal Service	\$0	\$0	\$23,000,000	\$1,075,000	\$ 24,075,000
Employer Contributions	\$0	\$0	\$6,210,000	\$621,803	\$ 6,831,803
Program/Case Services	\$0	\$0	\$15,000,000	\$796,913	\$ 15,796,913
Pass-Through Funds	\$0	\$0	\$0	\$0	\$ 0
Other Operating Expenses	\$0	\$0	\$4,956,784	\$857,500	\$ 5,814,284
Total	\$ 0	\$ 0	\$ 49,166,784	\$ 3,351,216	\$ 52,518,000

* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.

Is this budget category or program associated with a Capital Budget Priority? No
If yes, state Capital Budget Priority Number and Project Name:.

Please List proviso numbers that relate to this budget category or programs funded by this category. Proviso 89.10

H. Changes to the Appropriation:

Please explain any changes, to include re-alignments and funding or FTE increases requested in this year’s appropriation, as detailed below: No Changes

Funding:

Year	State Non-Recurring	State Recurring	Federal	Other (Earmarked or Restricted)
2011-2012 Act			44,855,677	
2012-2013 Act			49,166,784	
Difference			4,311,107	
% Difference			10%	

Explanation of Changes: Latest projection from Social Security Administration has directed DDS to plan for a 2013 workload that is 12% higher than current level. These expectations are based on projected received claims of 104,694 compared to actual claims adjudicated during 2011 of 93,580.

I. Revenue Estimates:

Please detail Sources of revenue for this program, identified by SAP fund number if a live SCEIS agency or the STARS number if a STARS agency. If several sources remit to a single subfund that cannot be split by source and appropriation or program, provide an estimate of the revenue dedicated to this program.

SAP Fund Number	Source Name	General Fund	Other State	Earmarked	Restricted	Federal
33300001	DDS Agreement-SC Retirement System			836,410		
33300002	DDS Agreement-SCDHHS			2,493,806		
33300003	DDS Agreement-Homestead			21,000		
50020000	Consolidated Federal					49,166,784

If expenditures for this program are greater than known or estimated revenues and the intent is to bridge part of this shortfall by drawing down balances in agency accounts or reserves, indicate the accounts and amount of the current reserve or balance that will likely be used below.

Please detail the long-term sustainability of this program if cash reserves are needed to operate.

If there is federal fund or other fund spending authority requested above the revenue streams detailed above, please indicate the amount and explanation for each.

J. FTE Positions:

Please detail the number of FTE's filled (F) by the program as of June 30 of each fiscal year, and the number authorized (A) by the Appropriations Act.

Fiscal Year	State	Other-Earmarked or Restricted	Federal	Total	Temporary, Temporary Grant, Time -limited
2012-2013 (A)		16.15	381.36	397.51	
2011-2012 (A)		16.15	381.36	397.51	
2010-2011 (F)		22.00	371.00	393.00	
2010-2011 (A)		16.15	381.36	397.51	
2009-2010 (F)		22.00	335.00	357.00	
2009-2010 (A)		16.15	311.36	327.51	
2008-2009 (F)		16.00	305.00	321.00	
2008-2009 (A)		11.00	311.36	322.36	
2007-2008 (F)		15.00	284.00	299.00	
2007-2008 (A)		11.00	311.36	322.36	

K. Detailed Justification for FTEs:

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) **Position Details:**

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

A. Proviso Number

Using the renumbered 2012-13 proviso base provided on the OSB website indicate the proviso number (*If new indicate "New #1", "New #2", etc.*):

20.1

B. Appropriation

Related budget category, program, or non-recurring request (*Leave blank if not associated with funding priority*):

II. A. Basic Services

II. B. Special Projects

II. C. Work Training Centers Production

C. Agency Interest

Is this proviso agency-specific, a general proviso that affects the agency, or a proviso from another agency's section that has had consequences?

Agency Specific

D. Action

(Indicate Keep, Amend, Delete, or Add):

Amend

E. Title

Descriptive Proviso Title:

Production Contracts Revenue

F. Summary

Summary of Existing or New Proviso:

All revenues derived from production contracts earned by ~~the handicapped trainees of the Evaluation and Training Facilities (Workshops)~~ people with disabilities receiving job readiness training at the agency's Work Training Centers may be retained by the State Agency of Vocational Rehabilitation and used in the facilities for Client Wages and any other production costs; and further, any excess funds derived from these production contracts may be used for other operating expenses and/or permanent improvements of these facilities.

G. Explanation of Amendment to/or Deletion of Existing Proviso

(If request to delete proviso is due to codification, note the section of the Code of Laws where the language has been codified):

H. Explanation of how this proviso directs the expenditure or appropriation of funds, and why this direction is necessary

The department operates a network of 24 training centers for the purpose of providing an array of vocational rehabilitation services to people with disabilities throughout the state. The department partners with local business and industry to acquire outsource work, which is performed by VR clients at the training centers. Clients are therefore exposed to a real work setting and learn the skills and work habits vital to successful employment. Staff can evaluate the clients' strengths and deficits and address those deficits through a variety of vocational rehabilitation services, which lead to job placement. This exposure to a real work setting is an essential part of many clients' rehabilitation programs, and the funds generated from business and industry help offset the cost of these services which otherwise might have been paid for with tax dollars. The proviso permits the activities and

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

stipulates how generated revenues are to be used. The ability to retain these funds in these accounts is essential because these funds are used to maintain and improve these facilities to include such expenses as roofs and grounds and equipment such as forklifts, vans and trucks. The department also has begun using these funds for salaries of production personnel directly involved in the centers' operations. This proviso has allowed the agency to continue providing some services that it may not have been able to continue without these revenues due to budget issues.

I. Justification

Refer to the instructions for the correct question to answer in this space, based on the action you selected

- (1) The proviso dates back many years; the agency knows of no reason it has not been codified. Due to its ongoing relevance and impact, the agency would be in favor of codification based on the reasons detailed in section H.
- (2) The recommended amendment would have no effect on the results of the proviso; it only updates the terminology related to people with disabilities and the agency's training centers.

J. Fiscal Impact (Include impact on each source of funds – state, federal, and other)

Fiscal impact to other funds is \$21,000,000, which are production costs related to client job readiness training of the Basic Services program. These funds are considered program income by federal regulations since federal funds were used to help generate them. Program income, under federal regulations, can only be expended for the purpose of the program that generated them.

K. Text of New Proviso with Underline or Entire Existing Proviso Text with Strikeover and Underline

20.1 All revenues derived from production contracts earned by ~~the handicapped trainees of the Evaluation and Training Facilities (Workshops)~~ people with disabilities receiving job readiness training at the agency's Work Training Centers may be retained by the State Agency of Vocational Rehabilitation and used in the facilities for Client Wages and any other production costs; and further, any excess funds derived from these production contracts may be used for other operating expenses and/or permanent improvements of these facilities.

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

A. Proviso Number

Using the renumbered 2012-13 proviso base provided on the OSB website indicate the proviso number (*If new indicate "New #1", "New #2", etc.*):

20.2

B. Appropriation

Related budget category, program, or non-recurring request (*Leave blank if not associated with funding priority*):

II. A. Basic Services

C. Agency Interest

Is this proviso agency-specific, a general proviso that affects the agency, or a proviso from another agency's section that has had consequences?

Agency Specific

D. Action

(Indicate Keep, Amend, Delete, or Add):

Keep

E. Title

Descriptive Proviso Title:

Reallotment Funds

F. Summary

Summary of Existing or New Proviso:

To maximize utilization of federal funding and prevent the loss of such funding to other states in the Basic Service Program, the State Agency of Vocational Rehabilitation be allowed to budget reallotment and other funds received in excess of original projections in following State fiscal years.

G. Explanation of Amendment to/or Deletion of Existing Proviso

(If request to delete proviso is due to codification, note the section of the Code of Laws where the language has been codified):

H. Explanation of how this proviso directs the expenditure or appropriation of funds, and why this direction is necessary

Proviso allows flexibility to increase initial projections of federal funds received due to federal reallotment process. The Vocational Rehabilitation program is principally funded with federal funds distributed to the states on a formula basis. These funds are designated specifically for vocational rehabilitation services. State VR programs lose portions of their allotments when they can't provide matching funds; the funds are then reallotted to other state VR programs that can match them. The proviso also recognizes that this funding method is beneficial to the state but may require further budget approvals since the timing and amount of these funds are unpredictable.

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

I. Justification

Refer to the instructions for the correct question to answer in this space, based on the action you selected

The proviso dates back many years; the agency knows of no reason it has not been codified. The agency would be in favor of codification based on the reasons detailed in section H.

J. Fiscal Impact (Include impact on each source of funds – state, federal, and other)

This enhances the agency's capabilities in providing quality vocational rehabilitation services leading to gainful employment. In addition to helping people with disabilities improve their quality of life through employment, the state gets a significant return on investment through the repayment of the cost of services (and more) by clients when they become taxpaying employees. They also lessen their reliance on government benefits. The amount of fiscal impact for our agency would vary based on the amount of reallocated funds the agency is eligible for and can match. SCVRD has relinquished more than \$6 million for 2011 due to match shortfalls; other states will seek those funds through reallocation.

K. Text of New Proviso with Underline or Entire Existing Proviso Text with Strikeover and Underline

(INSERT PROVISOR FROM FY 2012-13 RENUMBERED PROVISOR BASE HERE)

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

A. Proviso Number

Using the renumbered 2012-13 proviso base provided on the OSB website indicate the proviso number (*If new indicate "New #1", "New #2", etc.*):

20.3

B. Appropriation

Related budget category, program, or non-recurring request (*Leave blank if not associated with funding priority*):

II. A. Basic Services

C. Agency Interest

Is this proviso agency-specific, a general proviso that affects the agency, or a proviso from another agency's section that has had consequences?

Agency Specific

D. Action

(Indicate Keep, Amend, Delete, or Add):

Delete

E. Title

Descriptive Proviso Title:

Basic Support Program Reconciliation

F. Summary

Summary of Existing or New Proviso:

This is a reconciliation of costs to operate Basic Services program in light of the combination of state and federal funds available.

G. Explanation of Amendment to/or Deletion of Existing Proviso

(If request to delete proviso is due to codification, note the section of the Code of Laws where the language has been codified):

This proviso was written prior to the Federal Cash Management Act, which substantially limits federal balances in state accounts. Also, since the proviso was written, both the federal and state governments have permitted carry-over of funds from one year to the next. These two factors have substantially reduced any relevance for this proviso.

H. Explanation of how this proviso directs the expenditure or appropriation of funds, and why this direction is necessary**I. Justification**

Refer to the instructions for the correct question to answer in this space, based on the action you selected

The proviso is no longer necessary for reasons outlined in section G.

J. Fiscal Impact (Include impact on each source of funds – state, federal, and other)

Federal and State funds that comprise the Vocational Rehabilitation Basic Service Program

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

No fiscal impact from the deletion of this proviso.

K. Text of New Proviso with Underline or Entire Existing Proviso Text with Strikeover and Underline

~~20.3 The General Assembly hereby directs the Department of Vocational Rehabilitation to complete a reconciliation of the cost to operate the Basic Support program related to the combination of state and federal funds available following the close of each federal fiscal year. Such reconciliation shall begin with the federal fiscal year ending September 30, 1989. Federal funds participation for that period shall be applied at the maximum allowable percentage and the level of those funds on hand which have resulted from the over participation of state funds shall be remitted to the general fund within one hundred twenty days following the close of the federal fiscal year. This reconciliation and subsequent remission to the general fund shall be reviewed by the State Auditor to ensure that appropriate federal/state percentages are applied. It is the intent of the General Assembly that federal/state percentages budgeted and appropriated shall in no way be construed as authorization for the department to retain the federal funds involved.~~

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

A. Proviso Number

Using the renumbered 2012-13 proviso base provided on the OSB website indicate the proviso number (*If new indicate "New #1", "New #2", etc.*):

20.4

B. Appropriation

Related budget category, program, or non-recurring request (*Leave blank if not associated with funding priority*):

II. A. Basic Services

C. Agency Interest

Is this proviso agency-specific, a general proviso that affects the agency, or a proviso from another agency's section that has had consequences?

Agency Specific

D. Action

(Indicate Keep, Amend, Delete, or Add):

Keep

E. Title

Descriptive Proviso Title:

User/Service Fees

F. Summary

Summary of Existing or New Proviso:

Proviso allows use of fees charged to general public or other ineligible parties to be offset against the cost of those activities.

G. Explanation of Amendment to/or Deletion of Existing Proviso

(If request to delete proviso is due to codification, note the section of the Code of Laws where the language has been codified):

H. Explanation of how this proviso directs the expenditure or appropriation of funds, and why this direction is necessary

The agency is occasionally asked to provide services to a person who does not meet program eligibility requirements. In order to assist this individual, the agency must recover the cost of these services to offset the expenditure of federal program funds. This proviso permits delivery of this type service. If the agency were not allowed to recover these costs, it would be in violation of federal law prohibiting services to non-eligible persons. Due to budget constraints this proviso is not currently utilized because the agency directs all its resources to eligible clients only. However the proviso has been utilized at times over the years when staffing permitted.

I. Justification

Refer to the instructions for the correct question to answer in this space, based on the action you selected

The proviso dates back many years; the agency knows of no reason it has not been codified. Due to its ongoing relevancy the agency would be in favor of codification based on the reasons detailed in section H.

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

J. Fiscal Impact (Include impact on each source of funds – state, federal, and other)

Very minimal impact to each source of funds.

K. Text of New Proviso with Underline or Entire Existing Proviso Text with Strikeover and Underline

(INSERT PROVISO FROM FY 2012-13 RENUMBERED PROVISO BASE HERE)

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

A. Proviso Number

Using the renumbered 2012-13 proviso base provided on the OSB website indicate the proviso number (*If new indicate "New #1", "New #2", etc.*):

20.5

B. Appropriation

Related budget category, program, or non-recurring request (*Leave blank if not associated with funding priority*):

II. A. Basic Services

C. Agency Interest

Is this proviso agency-specific, a general proviso that affects the agency, or a proviso from another agency's section that has had consequences?

Agency Specific

D. Action

(Indicate Keep, Amend, Delete, or Add):

Keep

E. Title

Descriptive Proviso Title:

Meal Ticket Revenue

F. Summary

Summary of Existing or New Proviso:

All revenues generated from sale of meal tickets may be retained by the agency and expended for supplies to operate the agency's food service programs or cafeteria.

G. Explanation of Amendment to/or Deletion of Existing Proviso

(If request to delete proviso is due to codification, note the section of the Code of Laws where the language has been codified):

H. Explanation of how this proviso directs the expenditure or appropriation of funds, and why this direction is necessary

The agency operates three (3) residential programs where clients are provided meals. Staff at these facilities are allowed to eat certain meals and are charged for agency cost. The agency encourages this practice in an effort to have as many staff available on site as possible. We believe that this proviso is in the best interest of clients at those facilities.

I. Justification

Refer to the instructions for the correct question to answer in this space, based on the action you selected

The proviso dates back many years; the agency knows of no reason it has not been codified. The agency would not be opposed to codification based on the reasons detailed in section H.

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

V. Proviso Justification Form	Agency Code H73	Agency Name Vocational Rehabilitation Department
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J. Fiscal Impact (Include impact on each source of funds – state, federal, and other)

Estimated impact on earmarked funds is less than \$25,000.

K. Text of New Proviso with Underline or Entire Existing Proviso Text with Strikeover and Underline

(INSERT PROVISO FROM FY 2012-13 RENUMBERED PROVISO BASE HERE)

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

A. Proviso Number

Using the renumbered 2012-13 proviso base provided on the OSB website indicate the proviso number (*If new indicate "New #1", "New #2", etc.*):

20.6

B. Appropriation

Related budget category, program, or non-recurring request (*Leave blank if not associated with funding priority*):

II. A. Basic Services

C. Agency Interest

Is this proviso agency-specific, a general proviso that affects the agency, or a proviso from another agency's section that has had consequences?

Agency Specific

D. Action

(Indicate Keep, Amend, Delete, or Add):

Keep

E. Title

Descriptive Proviso Title:

Basic Service Program – Educational Scholarships

F. Summary

Summary of Existing or New Proviso:

Proviso allows agency to manage costs associated with tuition assistance for clients attending state supported institutions by keeping tuition at the 1998 tuition rate.

G. Explanation of Amendment to/or Deletion of Existing Proviso

(If request to delete proviso is due to codification, note the section of the Code of Laws where the language has been codified):

H. Explanation of how this proviso directs the expenditure or appropriation of funds, and why this direction is necessary

This proviso helps assure that South Carolinians with disabilities have an opportunity to acquire a post-secondary education and thereby have a much better chance of competing for employment opportunities. The unemployment rate among people with disabilities is very high. As a result of the availability of post-secondary education, VR clients can bring to the workplace the ability and expertise that propel the best companies to succeed. This, in turn, allows the individual to be a productive participant in the job market and affords them the opportunity to pay taxes, leave the Social Security rolls, and become the independent, self-sufficient citizens they desire to be. The proviso allows the agency to assist more clients in pursuing higher paying employment.

I. Justification

Refer to the instructions for the correct question to answer in this space, based on the action you selected

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

The proviso has not been codified due to the designation of the 1998 tuition rate as the prevailing rate for reference. It is assumed the reference year could be changed periodically.

J. Fiscal Impact (Include impact on each source of funds – state, federal, and other)

Unable to project

K. Text of New Proviso with Underline or Entire Existing Proviso Text with Strikeover and Underline

20.6 For those persons with disabilities who are eligible for and are receiving services under an approved plan of the South Carolina Vocational Rehabilitation Department (consistent with the 1973 Rehabilitation Act, as amended) tuition costs at state supported institutions (four year, technical, or trade schools) will not increase beyond the 1998 tuition rate, will be provided, or will be waived by the respective institution after the utilization of any other federal or state student aid for which the student is eligible. Persons eligible for this tuition reduction or sponsorship must meet all academic requirements of the particular institution and be eligible for State need-based scholarships as defined in Chapter 142, Title 59, Code of Laws of South Carolina, 1976.

(INSERT PROVISOR FROM FY 2012-13 RENUMBERED PROVISOR BASE HERE)

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

A. Proviso Number

Using the renumbered 2012-13 proviso base provided on the OSB website indicate the proviso number (*If new indicate "New #1", "New #2", etc.*):

89.10

B. Appropriation

Related budget category, program, or non-recurring request (*Leave blank if not associated with funding priority*):

II. A. Basic Services

II. B. Special Projects

II. C. Work Training Centers Production

III. Disability Determination Services

C. Agency Interest

Is this proviso agency-specific, a general proviso that affects the agency, or a proviso from another agency's section that has had consequences?

General Proviso

D. Action

(Indicate Keep, Amend, Delete, or Add):

Keep

E. Title

Descriptive Proviso Title:

Transfers of Appropriations

F. Summary

Summary of Existing or New Proviso:

Agencies are given flexibility to transfer appropriations with programs upon notification to the State Budget Office and Comptroller General

G. Explanation of Amendment to/or Deletion of Existing Proviso

(If request to delete proviso is due to codification, note the section of the Code of Laws where the language has been codified):

H. Explanation of how this proviso directs the expenditure or appropriation of funds, and why this direction is necessary

Flexibility is needed for transfers of appropriations between programs to allow for uncertainties due to budgeting a year ahead.

I. Justification

Refer to the instructions for the correct question to answer in this space, based on the action you selected

Since SCVRD is not the only agency affected by this proviso the agency has made no recommendation for codification. The agency would be in favor of codification.

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

J. Fiscal Impact (Include impact on each source of funds – state, federal, and other)
Unable to determine

K. Text of New Proviso with Underline or Entire Existing Proviso Text with Strikeover and Underline

Agencies and institutions shall be authorized to transfer appropriations within programs and within the agency with notification to the Division of Budget and Analyses and Comptroller General. No such transfer may exceed twenty percent of the program budget. Upon request, details of such transfers may be provided to members of the General Assembly on an agency by agency basis. Transfers of appropriations from personal service accounts to other operating accounts or from other operating accounts to personal service accounts may be restricted to any established standard level set by the Budget and Control Board upon formal approval by a majority of the members of the Budget and Control Board.

(INSERT PROVISOR FROM FY 2012-13 RENUMBERED PROVISOR BASE HERE)

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

A. Proviso Number

Using the renumbered 2012-13 proviso base provided on the OSB website indicate the proviso number (*If new indicate "New #1", "New #2", etc.*):

89.14

B. Appropriation

Related budget category, program, or non-recurring request (*Leave blank if not associated with funding priority*):

I. Administration

II.A. Basic Services

II.B. Special Projects

II.C. Work Training Centers Production

C. Agency Interest

Is this proviso agency-specific, a general proviso that affects the agency, or a proviso from another agency's section that has had consequences?

General Proviso

D. Action

(Indicate Keep, Amend, Delete, or Add):

Keep

E. Title

Descriptive Proviso Title:

Client Data Warehouse

F. Summary

Summary of Existing or New Proviso:

This proviso established a client Data Warehouse within South Carolina Health and Human Services. The purpose of the Warehouse is to ensure that the operation of health and human services agencies may be enhanced by coordination and integration of client information.

G. Explanation of Amendment to/or Deletion of Existing Proviso

(If request to delete proviso is due to codification, note the section of the Code of Laws where the language has been codified):

H. Explanation of how this proviso directs the expenditure or appropriation of funds, and why this direction is necessary**I. Justification**

Refer to the instructions for the correct question to answer in this space, based on the action you selected

Since SCVRD is not the only agency affected by this proviso the agency has made no recommendation for codification.

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

J. Fiscal Impact (Include impact on each source of funds – state, federal, and other)

Unable to determine

K. Text of New Proviso with Underline or Entire Existing Proviso Text with Strikeover and Underline

There is hereby established within the Office of Research and Statistics, South Carolina Budget and Control Board, the South Carolina Health and Human Services Data Warehouse. The purpose of the Warehouse is to ensure that the operation of health and human services agencies may be enhanced by coordination and integration of client information. Client data is defined as person-level data that is created, received, and/or maintained by state agencies and other entities required to report client information to the Office of Research and Statistics under this provision. To integrate client information, client data from health and human services state agencies will be linked to improve client outcome measures, enabling state agencies to analyze coordination and continuity of care issues. The addition of these data will enhance existing agency systems by providing client data from other state agency programs to assist in the provision of client services. Certain client information shall be delivered to the Office of Research and Statistics in order to assist in the development and maintenance of this Warehouse. The following agencies shall report client information:

- Departments of
 1. Health and Human Services;
 2. Health and Environmental Control;
 3. Mental Health;
 4. Alcohol and Other Drug Abuse Services;
 5. Disabilities and Special Needs;
 6. Social Services;
 7. Vocational Rehabilitation;
 8. Education;
 9. Juvenile Justice;
 10. Corrections;
 11. Probation, Parole and Pardon Services;
- Office of the Governor
 1. Children's Foster Care Review Board;
 2. Continuum of Care;
- Office of the Lieutenant Governor, Division on Aging;
- South Carolina School for the Deaf and the Blind;
- Commission for the Blind, and
- Other entities as deemed necessary by the Office of Research and Statistics.

These agencies and departments shall collect and provide client data in formats and schedules to be specified by the Office of Research and Statistics (Office). The Office shall establish a Memorandum of Agreement with each agency, department or division. These Memorandums of Agreement shall specify, but are not limited to, the confidentiality of client information, the conditions for the release of data that may identify agencies, departments, divisions, programs and services, or clients, any restrictions on the release of data so as to be compliant with state and federal statutes and regulations on confidentiality of data, conditions under which the data may be used for research purposes, and any security measures to be taken to insure the confidentiality of client information.

To ensure accountability and the coordinated, efficient delivery of health and human services, the Office shall implement, in consultation with state health and human services agencies and other entities as deemed

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

V. Proviso Justification Form	Agency Code H73	Agency Name Vocational Rehabilitation Department
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necessary by the Office, an integrated data system that includes client data from all participating agencies.

In order to provide for inclusion of other entities into the South Carolina Health and Human Services Data Warehouse and other research and analytic-oriented applications that will assist the state in the efficient and effective provision of services, the Office shall have the authority to enter into agreements or transactions with any federal, state or municipal agency or other public institution or with any private individual, partnership, firm, corporation, association or other entity to provide statistical, research and information dissemination services including, but not limited to, program and outcomes evaluation, program monitoring/surveillance, projects to determine the feasibility of data collection and/or analyses, information dissemination and research. The confidentiality of data collected under these initiatives shall comply with applicable state and federal laws governing the privacy of data.

The Office shall have the power to promulgate regulations, policies and procedures, in consultation with the participating agencies, for the development, protection and operation of the Data Warehouse, other research and analytic-oriented applications, and their underlying processes.

The Office shall develop internet-accessible secure analytic query tools (such as analytic cubes) using integrated client data from the Warehouse. All agencies shall cooperate with the Office in the development of these analytic tools. It is the intent of this provision that the analytic tools developed under this provision shall be made available to members of the South Carolina General Assembly and their research staff members, state agencies, and researchers. To that end, the Office shall, in consultation with the participating agencies, promulgate regulations addressing access to and use and release of information generated through use of the query tools.

All state agencies participating in the Warehouse shall utilize it and its associated software applications in the day-to-day operation of their programs and for coordination, collaboration, program evaluation and outcomes analysis. The Department of Health and Environmental Control shall be exempt from usage of the integrated client management system and the analytic query tools in the day-to-day operation of their Client Automated Record and Encounter System and their South Carolina Community Assessment Network, but shall provide the Warehouse with client data from the system and network.

No state agency shall duplicate any of the responsibilities of this provision.

For purposes of this subsection, all state laws, regulations, or any rule of any state agency, department, board, or commission having the effect or force of law that prohibits or is inconsistent with any provision of this subsection is hereby declared inapplicable to this subsection.

(INSERT PROVISOR FROM FY 2012-13 RENUMBERED PROVISOR BASE HERE)

Due to the singular nature of the agency’s mission, to get an accurate picture of the agency’s programs all program sections should be considered together.

A. Proviso Number

Using the renumbered 2012-13 proviso base provided on the OSB website indicate the proviso number (*If new indicate "New #1", "New #2", etc.*):

89.26

B. Appropriation

Related budget category, program, or non-recurring request (*Leave blank if not associated with funding priority*):

II. Administration

II.A. Basic Services

II.B. Special Projects

C. Agency Interest

Is this proviso agency-specific, a general proviso that affects the agency, or a proviso from another agency's section that has had consequences?

General Proviso

D. Action

(Indicate Keep, Amend, Delete, or Add):

Keep

E. Title

Descriptive Proviso Title:

Carry Forward

F. Summary

Summary of Existing or New Proviso:

Allows agencies to carry forward unspent general fund appropriations from prior year up to a maximum of 10%

G. Explanation of Amendment to/or Deletion of Existing Proviso

(If request to delete proviso is due to codification, note the section of the Code of Laws where the language has been codified):

H. Explanation of how this proviso directs the expenditure or appropriation of funds, and why this direction is necessary

The agency needs the ability to carry forward general funds that were unspent at the end of the year caused by financial system constraints and accrued expenditures that have not been paid.

I. Justification

Refer to the instructions for the correct question to answer in this space, based on the action you selected

Since SCVRD is not the only agency affected by this proviso the agency has made no recommendation for codification. The agency would be in favor of codification.

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

J. Fiscal Impact (Include impact on each source of funds – state, federal, and other)

Unable to determine

K. Text of New Proviso with Underline or Entire Existing Proviso Text with Strikeover and Underline

Each agency is authorized to carry forward unspent general fund appropriations from the prior fiscal year into the current fiscal year, up to a maximum of ten percent of its original general fund appropriations less any appropriation reductions for the current fiscal year. Agencies shall not withhold services in order to carry forward general funds.

(INSERT PROVISO FROM FY 2012-13 RENUMBERED PROVISO BASE HERE)

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

A. Proviso Number

Using the renumbered 2012-13 proviso base provided on the OSB website indicate the proviso number (*If new indicate "New #1", "New #2", etc.*):

89.6

B. Appropriation

Related budget category, program, or non-recurring request (*Leave blank if not associated with funding priority*):

II. A. Basic Services

C. Agency Interest

Is this proviso agency-specific, a general proviso that affects the agency, or a proviso from another agency's section that has had consequences?

General Proviso

D. Action

(Indicate Keep, Amend, Delete, or Add):

Keep

E. Title

Descriptive Proviso Title:

Case Service Billing Payments Prior Year

F. Summary

Summary of Existing or New Proviso:

Agencies are allowed to pay case service billings authorized in old year with current year funds

G. Explanation of Amendment to/or Deletion of Existing Proviso

(If request to delete proviso is due to codification, note the section of the Code of Laws where the language has been codified):

H. Explanation of how this proviso directs the expenditure or appropriation of funds, and why this direction is necessary

Proviso is needed to allow for longer cut-off period necessary at year-end for case services billings. It usually takes longer to get these billings in for payment because most are for medical services and may require a subrogation process.

I. Justification

Refer to the instructions for the correct question to answer in this space, based on the action you selected

Since SCVRD is not the only agency affected by this proviso the agency has made no recommendation for codification. The agency would be in favor of codification.

J. Fiscal Impact (Include impact on each source of funds – state, federal, and other)

Unable to project

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

K. Text of New Proviso with Underline or Entire Existing Proviso Text with Strikeover and Underline

Agencies appropriated case services funds who routinely receive prior year case service billings after the old fiscal year has been officially closed are authorized to pay these case service obligations with current funds. This authorization does not apply to billings on hand that have been through a timely agency payment approval process when the old fiscal year closes.

(INSERT PROVISOR FROM FY 2012-13 RENUMBERED PROVISOR BASE HERE)

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

A. Proviso Number

Using the renumbered 2012-13 proviso base provided on the OSB website indicate the proviso number (*If new indicate "New #1", "New #2", etc.*):

89.77

B. Appropriation

Related budget category, program, or non-recurring request (*Leave blank if not associated with funding priority*):

II.A. Basic Services

C. Agency Interest

Is this proviso agency-specific, a general proviso that affects the agency, or a proviso from another agency's section that has had consequences?

General Proviso

D. Action

(Indicate Keep, Amend, Delete, or Add):

Keep

E. Title

Descriptive Proviso Title:

Healthcare Employee Recruitment and Retention

F. Summary

Summary of Existing or New Proviso:

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, and Department of 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 Budget and Control Board. Employees may receive up to \$5,000, not to exceed an accumulation of more than \$10,000 in bonuses 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.

G. Explanation of Amendment to/or Deletion of Existing Proviso

(If request to delete proviso is due to codification, note the section of the Code of Laws where the language has been codified):

H. Explanation of how this proviso directs the expenditure or appropriation of funds, and why this direction is necessary**I. Justification**

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

Refer to the instructions for the correct question to answer in this space, based on the action you selected

Since SCVRD is not the only agency affected by this proviso the agency has made no recommendation for codification. SCVRD was not involved in the creation of the proviso but does see and appreciate its potential value. However the agency has not utilized the terms of the proviso to date due to its success in staffing its limited number of healthcare positions and to its budget limitations.

J. Fiscal Impact (Include impact on each source of funds – state, federal, and other)

None to date. Unable to project for future years.

Text of New Proviso with Underline or Entire Existing Proviso Text with Strikeover and Underline

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, and Department of Vocational Rehabilitation 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 Budget and Control Board. Employees may receive up to \$5,000, not to exceed an accumulation of more than \$10,000 in bonuses 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 agencies may also provide paid educational leave for any employees in an FTE position 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 and Nurses newly employed in those positions to repay them for their outstanding student loans associated with completion of a healthcare 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 pre-payment 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 pre-payment. The remaining tuition could be reimbursed to the employee after successful completion of the class.

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

Proviso Number

Using the renumbered 2012-13 proviso base provided on the OSB website indicate the proviso number (*If new indicate "New #1", "New #2", etc.*):

89.14 0

A. Appropriation

Related budget category, program, or non-recurring request (*Leave blank if not associated with funding priority*):

III. Administration

II.A. Basic Services

II.B. Special Projects

II.C. Work Training Centers Production

B. Agency Interest

Is this proviso agency-specific, a general proviso that affects the agency, or a proviso from another agency's section that has had consequences?

General Proviso

C. Action

(Indicate Keep, Amend, Delete, or Add):

Keep

D. Title

Descriptive Proviso Title:

Flexibility

E. Summary

Summary of Existing or New Proviso:

Proviso allows agencies to spend earmarked and restricted accounts designated as "special revenue funds" as defined in the Comptroller General's records, to maintain critical programs previously funded with general fund appropriations.

F. Explanation of Amendment to/or Deletion of Existing Proviso

(If request to delete proviso is due to codification, note the section of the Code of Laws where the language has been codified):

G. Explanation of how this proviso directs the expenditure or appropriation of funds, and why this direction is necessary

The agency needs the flexibility to spend earmarked funds generated in the Basic Services program to maintain critical programs. These earmarked funds are considered program income by federal regulations since federal funds were used to help generate them. Program income, under federal regulations, can only be expended for the purpose of the program that generated them.

H. Justification

Refer to the instructions for the correct question to answer in this space, based on the action you selected

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

Since SCVRD is not the only agency affected by this proviso the agency has made no recommendation for codification. The agency would be in favor of codification.

I. Fiscal Impact (Include impact on each source of funds – state, federal, and other)

Unable to determine

J. Text of New Proviso with Underline or Entire Existing Proviso Text with Strikeover and Underline

In order to provide maximum flexibility in absorbing the general fund reductions mandated in this act as compared to Fiscal Year 2008-09 general fund appropriations, agencies are authorized for Fiscal Year 2011-2012 to spend agency earmarked and restricted accounts designated as "special revenue funds" as defined in the Comptroller General's records, to maintain critical programs previously funded with general fund appropriations. Any spending authorization for these purposes must receive the prior approval of the Office of State Budget and must be reported to the Governor, Senate Finance Committee, and the House Ways and Means Committee. The Comptroller General is authorized to implement the procedures necessary to comply with this directive. This provision is provided notwithstanding any other provision of law restricting the use of earned revenue. Appropriation transfers may exceed twenty percent of the program budget upon approval of the Budget and Control Board, Office of State Budget in consultation with the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee.

(INSERT PROVISOR FROM FY 2012-13 RENUMBERED PROVISOR BASE HERE)

Due to the singular nature of the agency's mission, to get an accurate picture of the agency's programs all program sections should be considered together.

Federal Aid Justification

H126A110060 (Current Year)

Summary

Award Title	Rehabilitation Services - Vocational Rehabilitation Grants to States		
CFDA Number/Title	(XX.XXX) Other CFDA	→ If "Other", identify:	(84.126A) Basic Vocational Rehabilitation State Grants (VR)
Award Number (Federal)	H126A110060 (Current Year)	Start Date	10/01/10
		Federal Agency	Department of Education (91)
Award Number (State)		End Date	09/30/11
		Federal Subagency	Rehabilitation Services Administration (9126)
Award Period	Continuing	→ If "Other", explain:	

Financial

Total Award Amount	\$ 48,680,316.00	Amount Available in FY 2012-13	If all funds are matched, would assume a comparable amount; however, in current year we have returned \$6,000,000 of these funds due to reductions in state matching funds.
State Match Required?	Yes	If "Yes", describe, and provide SAP Fund Number(s) of funding sources	21.3% state match required: 10010000 General Fund; 33170002 Basic Support Match DJJ; 33170003 Basic Support Match SCDC; 33170004 Basic Support Match DMH; 33170005 Basic Support Match Counties
Local Match Required?	No	If "Yes", describe	
Assistance Type	Formula Grant	If "Other", explain	
Is administrative and/or indirect cost recovery permitted? If so, explain:	Yes, indirect costs are allowed and allocated by agency Cost Allocation Plan		
Will funds be passed-through to other entities? If so, what types of entities, and how will funds be distributed?	No pass through of funds		

Federal Aid Justification

H126A110060 (Current Year)

Questions

How is the use of these funds essential to your agency's mission?

This funds the core program of SC Vocational Rehabilitation Department, enabling eligible South Carolinians with disabilities to prepare for, achieve and maintain competitive employment.

What budgetary, compliance, and programmatic obligations will the state incur (now or in the future) through the receipt of these funds?

This award has provided funding for agency core vocational rehabilitation services for over 60 years. Federal regulations and oversight contribute to compliance and oversight of the program.

What outcome and/or performance measures will you track and/or report on in association with this award?

A set of national standards and indicators is required by the department's enabling federal law, the Rehabilitation Act of 1973. The seven standards and indicators provide program effectiveness comparisons with VR agencies from all other states as well as regional comparisons. The agency developed a comprehensive set of performance measures using its Program Integrity model. These measures seek balance among customer service, productivity, compliance assurance and quality. Comparative data on cost effectiveness and return on investment are also key measures.

What is the name and title of the individual in your agency who is responsible for the success of this program?

Barbara G. Hollis, Commissioner

Federal Aid Justification

04-11-04SCD100

Summary

Award Title	Social Security Disability Determination Services		
CFDA Number/Title	(XX.XXX) Other CFDA	→ If "Other", identify:	96.001 Social Security - Disability Insurance
Award Number (Federal)	04-11-04SCD100	Start Date	10/01/10
		Federal Agency	Social Security Administration (28)
Award Number (State)		End Date	09/30/11
		Federal Subagency	
Award Period	Continuing	→ If "Other", explain:	

Financial

Total Award Amount	\$ 42,242,690.00	Amount Available in FY 2012-13	Anticipate an increase of at least 10% to allow for projected increase in claims receipts.
State Match Required?	No	If "Yes", describe, and provide SAP Fund Number(s) of funding sources	
Local Match Required?	No	If "Yes", describe	
Assistance Type	Project Grant	If "Other", explain	
Is administrative and/or indirect cost recovery permitted? If so, explain:	Yes, indirect costs are allowed and allocated by agency Cost Allocation Plan.		
Will funds be passed-through to other entities? If so, what types of entities, and how will funds be distributed?	No pass through of funds		

Questions

How is the use of these funds essential to your agency's mission?

Disability Determination Services (DDS) evaluates claims for disability benefits filed under the provisions of the Social Security Act. This program is fully funded by the Social Security Administration. Additional claims filed under the provisions of the South Carolina Retirement System are processed and fully funded by the South Carolina Retirement System. The DDS also process claims filed under Title XIX Medicaid provision for the Department of Health and Humans Service (DHHS). DHHS fully funds this program . A relatively small number of claims are filed under the Homestead Exemption Act and funded by SC Department of Revenue.

What budgetary, compliance, and programmatic obligations will the state incur (now or in the future) through the receipt of these funds?

This is a program fully funded by Social Security Administration. Federal regulations and oversight contribute to compliance and oversight of the program. This includes audits by Office of Inspector General.

What outcome and/or performance measures will you track and/or report on in association with this award?

DDS program goals are to adjudicate disability claims as efficiently as possible and achieve performance measures that compare favorably to the regional or national average in the areas of productivity and quality

What is the name and title of the individual in your agency who is responsible for the success of this program?

Barbara G. Hollis, Commissioner

Federal Aid Justification

H169A110059 (Current Year)

Summary

Award Title	Independent Living - State Grants		
CFDA Number/Title	(XX.XXX) Other CFDA	→ If "Other", identify:	(84.169A) State Independent Living Services
Award Number (Federal)	H169A110059 (Current Year)	Start Date	10/01/10
		Federal Agency	Department of Education (91)
Award Number (State)		End Date	09/30/11
		Federal Subagency	Rehabilitation Services Administration (9126)
Award Period	Continuing	→ If "Other", explain:	

Financial

Total Award Amount	\$ 271,751.00	Amount Available in FY 2012-13	Anticipate a comparable amount
State Match Required?	Yes	If "Yes", describe, and provide SAP Fund Number(s) of funding sources	10% state match required: 10010000 General Fund
Local Match Required?	No	If "Yes", describe	
Assistance Type	Formula Grant	If "Other", explain	
Is administrative and/or indirect cost recovery permitted? If so, explain:	Yes, indirect costs are allowed and allocated by agency Cost Allocation Plan		
Will funds be passed-through to other entities? If so, what types of entities, and how will funds be distributed?	Funds are passed through to the SC Independent Living Council, Disability Action Center, Walton Options for Independent Living and Disability Resource Center, all 501(c) (3) organizations, based on budget and resource plan outlined in the State Plan for Independent Living		

Federal Aid Justification

H169A110059 (Current Year)

Questions

How is the use of these funds essential to your agency's mission?

These funds support activities related to provision of Independent Living services to individuals with significant disabilities. Independent Living services to this segment of disabled people dovetail with the agency's mission to prepare individuals with disabilities for competitive employment.

What budgetary, compliance, and programmatic obligations will the state incur (now or in the future) through the receipt of these funds?

Federal regulations and oversight contribute to compliance and oversight of the program.

What outcome and/or performance measures will you track and/or report on in association with this award?

Outcome measures are 100% completion of objectives (expected results) outlined in the State Plan for Independent Living

What is the name and title of the individual in your agency who is responsible for the success of this program?

Barbara G. Hollis, Commissioner

Federal Aid Justification

H265A100075

Summary

Award Title	Rehabilitation Training - State Vocational Rehabilitation Unit In-Service Training		
CFDA Number/Title	(XX.XXX) Other CFDA	→ If "Other", identify:	(84.265A) State Vocational Unit In-Service Training
Award Number (Federal)	H265A100075	Start Date	10/01/10
		Federal Agency	Department of Education (91)
Award Number (State)		End Date	09/30/15
		Federal Subagency	Rehabilitation Services Administration (9126)
Award Period	Continuing	→ If "Other", explain:	

Financial

Total Award Amount	\$ 703,044.00	Amount Available in FY 2012-13	\$126,235 assuming current funding level
State Match Required?	Yes	If "Yes", describe, and provide SAP Fund Number(s) of funding sources	10% state match required: 10010000 General Fund
Local Match Required?	No	If "Yes", describe	
Assistance Type	Other Assistance	If "Other", explain	Discretionary Grant
Is administrative and/or indirect cost recovery permitted? If so, explain:	No, indirect cost recovery not permitted, this grant funds direct training costs of the Basic Services program only		
Will funds be passed-through to other entities? If so, what types of entities, and how will funds be distributed?	No pass through of funds		

Federal Aid Justification

H265A100075

Questions

How is the use of these funds essential to your agency's mission?

This funds the training initiatives to support the Basic Services program

What budgetary, compliance, and programmatic obligations will the state incur (now or in the future) through the receipt of these funds?

Federal regulations and oversight contribute to compliance and oversight of the program.

What outcome and/or performance measures will you track and/or report on in association with this award?

There are specific grant objectives with expected performance measures/results in alignment with the agency's State Plan for providing VR services. The agency reports back to the grantor on an annual basis to show progress in the five-year grant and specific results. Improved employment outcomes for targeted populations, recruitment and retention of qualified staff, and leadership development are primary areas of performance monitoring for this grant.

What is the name and title of the individual in your agency who is responsible for the success of this program?

Barbara G. Hollis, Commissioner

Federal Aid Justification

H187A110061 (Current Year)

Summary

Award Title	Supported Employment Services for Individuals with Severe Disabilities		
CFDA Number/Title	(XX.XXX) Other CFDA	→ If "Other", identify:	(84.187A) Supported Employment State Grants
Award Number (Federal)	H187A110061 (Current Year)	Start Date	10/01/10
		Federal Agency	Department of Education (91)
Award Number (State)		End Date	09/30/11
		Federal Subagency	Rehabilitation Services Administration (9126)
Award Period	Continuing	→ If "Other", explain:	

Financial

Total Award Amount	\$ 317,281.00	Amount Available in FY 2012-13	Comparable amount assuming continuation of program
State Match Required?	No	If "Yes", describe, and provide SAP Fund Number(s) of funding sources	
Local Match Required?		If "Yes", describe	
Assistance Type	Formula Grant	If "Other", explain	
Is administrative and/or indirect cost recovery permitted? If so, explain:	Yes, indirect costs are allowed and allocated by agency Cost Allocation Plan		
Will funds be passed-through to other entities? If so, what types of entities, and how will funds be distributed?	No pass through of funds		

Federal Aid Justification

H187A110061 (Current Year)

Questions

How is the use of these funds essential to your agency's mission?

This supplements funding of the core program of SC Vocational Rehabilitation Department, enabling eligible South Carolinians with the most significant disabilities to prepare for, achieve and maintain competitive employment.

What budgetary, compliance, and programmatic obligations will the state incur (now or in the future) through the receipt of these funds?

Federal regulations and oversight contribute to compliance and oversight of the program.

What outcome and/or performance measures will you track and/or report on in association with this award?

Outcomes are successful employment for clients receiving Title VI, Part B supported employment services

What is the name and title of the individual in your agency who is responsible for the success of this program?

Barbara G. Hollis, Commissioner

Federal Aid Justification

14-W-50078-4-05

Summary

Award Title	South Carolina Pathways Toward Employment				
CFDA Number/Title	(XX.XXX) Other CFDA	→	If "Other", identify:	(96.008) Social Security - Work Incentives Planning and Assistance Program	
Award Number (Federal)	14-W-50078-4-05	Start Date	09/30/06	Federal Agency	Social Security Administration (28)
Award Number (State)		End Date	06/30/12	Federal Subagency	
Award Period	Continuing	→	If "Other", explain:		

Financial

Total Award Amount	\$ 1,551,076.00	Amount Available in FY 2012-13	\$267,769 assuming renewal of this 5 year award
State Match Required?	Yes	If "Yes", describe, and provide SAP Fund Number(s) of funding sources	5% state cost sharing required; 10010000 General Fund
Local Match Required?		If "Yes", describe	
Assistance Type	Cooperative Agreement	If "Other", explain	
Is administrative and/or indirect cost recovery permitted? If so, explain:	Yes, indirect costs are allowed and allocated by agency Cost Allocation Plan		
Will funds be passed-through to other entities? If so, what types of entities, and how will funds be distributed?	No pass through of funds		

Questions

How is the use of these funds essential to your agency's mission?

In cooperation with the Social Security Administration, this project helps educate South Carolina residents with disabilities who choose to work make the transition from disability benefits to employment and self-support. "SSI" refers to Supplemental Security Income. "SSDI" refers to Social Security Disability Income. Both are administered by the Social Security Administration (SSA), and only individuals who have a disability and meet specified criteria qualify for benefits under the program. This program dovetails with the agency's mission.

What budgetary, compliance, and programmatic obligations will the state incur (now or in the future) through the receipt of these funds?

Federal regulations and oversight contribute to compliance and oversight of the program.

What outcome and/or performance measures will you track and/or report on in association with this award?

Each grant employee will participate in outreach events that will reach 300 SSI/SSDI beneficiaries per month and serve at least 25 referrals per month by providing direct benefits planning regarding SSA work incentives.

What is the name and title of the individual in your agency who is responsible for the success of this program?

Barbara G. Hollis, Commissioner

Federal Aid Justification

H235U070011

Summary

Award Title	Special Projects and Demonstration for Providing Vocational Rehabilitation Services to Individuals with Severe Disabilities		
CFDA Number/Title	(XX.XXX) Other CFDA	→ If "Other", identify:	(84.235U) Youth Employment Services Program
Award Number (Federal)	H235U070011	Start Date	10/01/07
		Federal Agency	Department of Education (91)
Award Number (State)		End Date	09/30/12
		Federal Subagency	Rehabilitation Services Administration (9126)
Award Period	Continuing	→ If "Other", explain:	

Financial

Total Award Amount	\$ 2,417,532.00	Amount Available in FY 2012-13	Expect 25% of final year's award to be available
State Match Required?	No	If "Yes", describe, and provide SAP Fund Number(s) of funding sources	
Local Match Required?		If "Yes", describe	
Assistance Type	Other Assistance	If "Other", explain	Discretionary
Is administrative and/or indirect cost recovery permitted? If so, explain:	Yes, indirect costs are allowed and allocated by agency Cost Allocation Plan		
Will funds be passed-through to other entities? If so, what types of entities, and how will funds be distributed?	No pass through of funds		

Federal Aid Justification

H235U070011

Questions

How is the use of these funds essential to your agency's mission?

Enhanced school-to-work transition services is a primary focus for Vocational Rehabilitation both nationally and in South Carolina. Without early intervention, 16- to 21-year olds with disabilities are in a position of great vulnerability to a cycle of poverty and reliance on government assistance. This grant assists the agency as part of its emphasis on serving this population with services leading to successful employment outcomes as the goal.

What budgetary, compliance, and programmatic obligations will the state incur (now or in the future) through the receipt of these funds?

Federal regulations and oversight contribute to compliance and oversight of the program.

What outcome and/or performance measures will you track and/or report on in association with this award?

Increase in school to work transition population served, higher number of referrals from schools.

What is the name and title of the individual in your agency who is responsible for the success of this program?

Barbara G. Hollis, Commissioner