



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

Transforming data into solutions for South Carolina

Agency overview – RFA supports state and local officials and the citizens of South Carolina through a consortium of programs and services including:

- Precinct Demographics/Digital Cartography – Voter precincts, local government redistricting
- Economic Research and Fiscal Analysis – Local Government Finance Report, millage rate increase limitations, education finance and student count projections, fiscal impact statements and advisory letters
- Board of Economic Advisors – State revenue forecasts and monitoring the state’s economic conditions for potential impact on revenues
- Data Integration and Analysis – Data linkage, research, statistical analysis, decennial census
- SC Wireless 9-1-1 – Manage the state’s 9-1-1 fund, support local jurisdictions, technology upgrades
- Geodetic Survey – State and county boundary resolutions, statewide Real-Time GPS Network
- GIS – statewide aerial imagery, data coordination with state and local agencies, and mapping services

Recurring Budget Requests:

- Priority 1: Additional general fund appropriations of \$120,000 for acquisition of contractual services for professional economists to augment agency’s economic analysis and forecasting capabilities

Non-Recurring Budget Request:

- No non-recurring budget requests for FY 2023-24
- No capital budget requests for FY 2023-24

Proviso Request:

- Change language in Proviso 103.6 from Fiscal Year 2022-23 to Fiscal Year 2023-24

FY2023-24 BUDGET HEARING

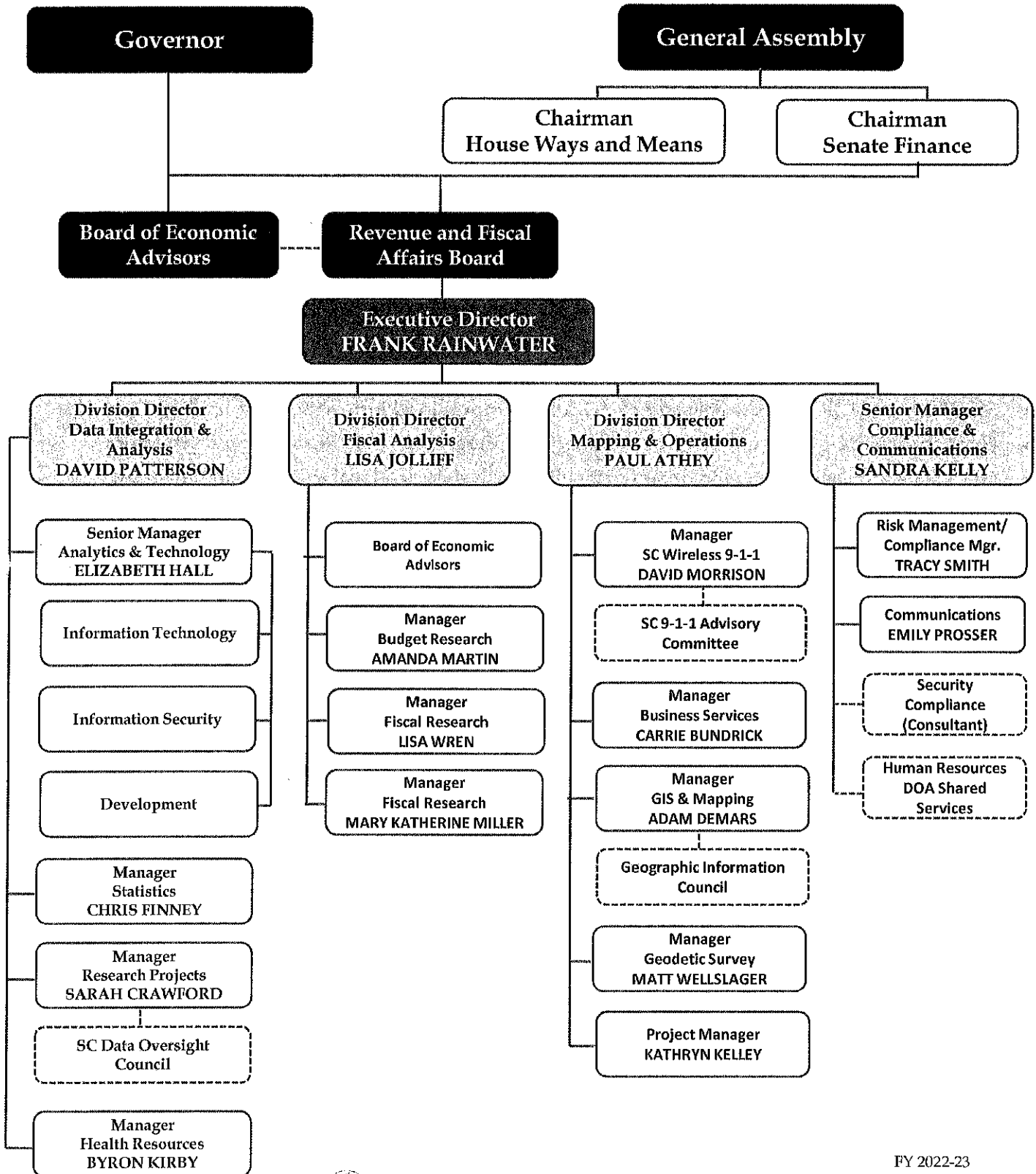
**Presented to
Ways and Means Committee**

January 18, 2023



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ORGANIZATIONAL STRUCTURE



FY2023-24 BUDGET REQUEST SUMMARY

FY 23-24 Budget Priorities Summary												
Agency Name: Revenue and Fiscal Affairs												
Budget Priorities				Funding					FTEs			
Priority No.	Priority Type (recurring/ non-recurring /other funds adjustment/ federal funds adjustment)	Priority Title	Priority Description	Recurring	Non - Recurring	Other	Federal	Total	State	Other	Federal	Total
1	Recurring General Funds Appropriations	Professional Economists Contractual Services	Additional funds to support the acquisition of contractual services for professional economists to augment the agency's economic analysis and forecasting capabilities	120,000				120,000				0

FY2023-24 PROVISO REQUEST SUMMARY

Constitutional Subcommittee Proviso Request Summary FY 2023-24				
Proviso # in FY 22-23 Act	Renumbered FY 23-24 Proviso #	Proviso Title	Short Summary	Agency Recommended Action (keep, change, delete, add)
103.6		RFAO: Revenue Forecast	For Fiscal Year 2021-22, Section 11-9-1130(A) of the 1976 Code shall be suspended	change - change language from Fiscal Year 2022-23 to Fiscal Year 2023-24

ALL AGENCY PROVISOS

FY 2022-23 RFA State Provisos	Short Summary	Agency Recommended Action (keep, change, delete, add)
<u>33.15</u>	RFA shall provide data to the Department of Health and Human Services for it to use to enroll and recertify eligible children for the SCHIP program.	Keep
<u>33.20</u>	The Revenue and Fiscal Affairs Office shall provide DHHS with any information required by the department in order to implement this proviso in accordance with state law and regulations. The proviso requires DHHS to implement accountability and quality improvement in the following initiatives: Healthy Outcomes, Community Health Outreach, Rural Hospital DSH payment, Primary Care Safety Net, and Rural and Underserved Area Provider Capacity.	Keep
<u>33.22</u>	Revenue and Fiscal Affairs Office and Area Health Education Consortium's Office of Healthcare Workforce Analysis and Planning shall provide the Department of Health and Human Services with any information required by the department in order to implement this proviso in accordance with state law and regulations. The proviso requires the DHHS to partner with state agencies, institutions, and other key stakeholders to implement these components of a Rural Health Initiative to better meet the needs of medically underserved communities throughout the state.	Keep
<u>34.37</u>	The Revenue and Fiscal Affairs Office shall provide data needed by the SCHIDS program to fulfill its mission, and all state agencies and public universities involved in educating South Carolinians through public programs for the purpose of improving health and wellness shall communicate with the program in order to improve collaboration and coordination and the possible use of SCHIDS to assist in the evaluation of program outcomes.	Keep



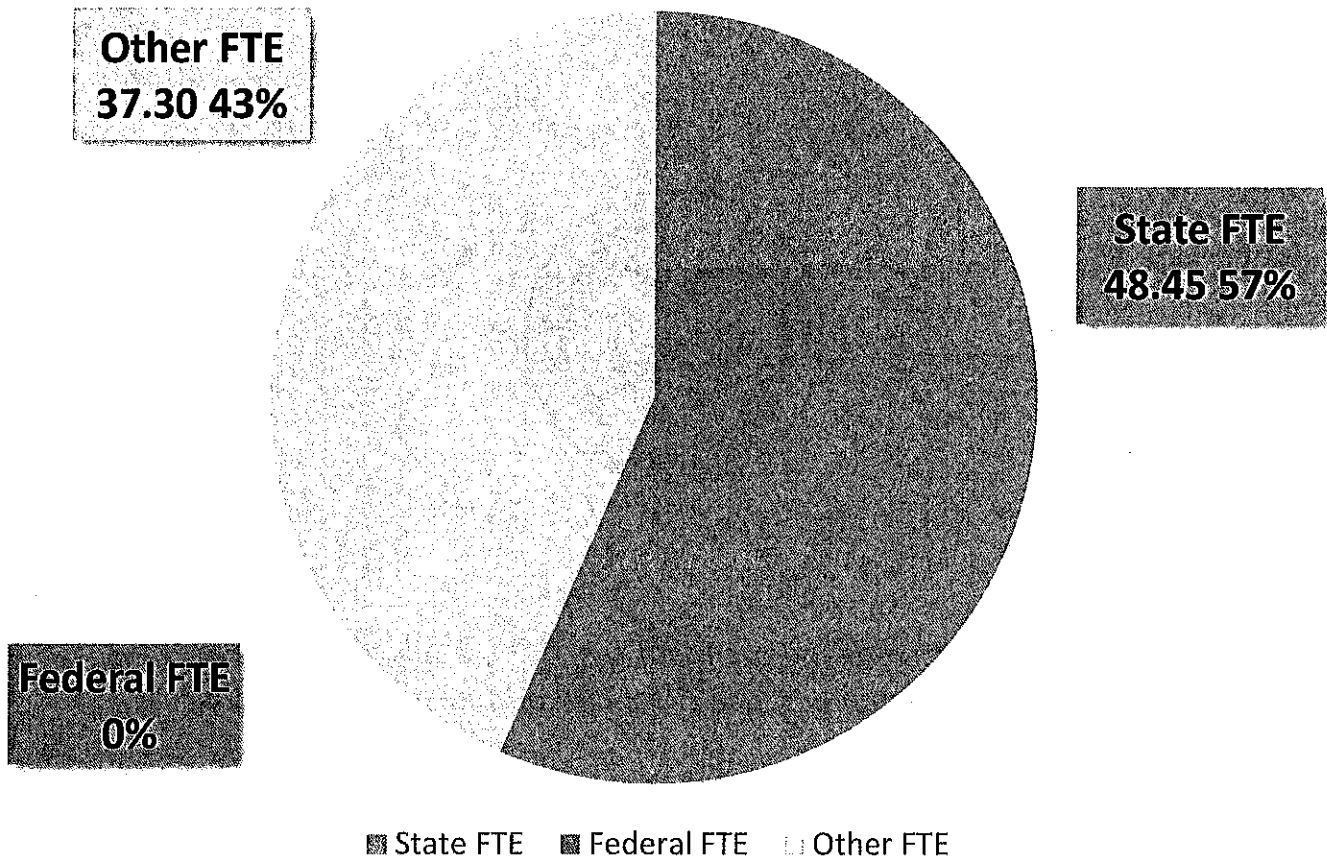
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<u>103.5</u>	The respective sections of the Revenue and Fiscal Affairs Office are authorized to provide and receive from other governmental entities, including other divisions, state and local agencies and departments, and the private sector, goods and services, as will in its opinion promote efficient and economical operations. The sections may charge and pay the entities for the goods and services, the revenue from which shall be deposited in the state treasury in a special account and expended only for the costs of providing the goods and services, and such funds may be retained and be expended for the same purposes.	Keep
<u>103.6</u>	For Fiscal Year 2022-23, Section 11-9-1130(A) of the 1976 Code shall be suspended	Change
<u>117.63</u>	The annual Executive Budget proposed by the Governor must be certified by the Director of the Revenue and Fiscal Affairs Office or his designee in the same manner as the House Ways and Means and Senate Finance Committee versions of the budget bill are certified.	Keep
<u>118.3</u>	The Board of Economic Advisors shall recognize all general fund revenues accumulated in a fiscal year in excess of general appropriations and supplemental appropriations as surplus funds. These revenues are credited to the Contingency Reserve Fund.	Keep



FTE BREAKDOWN

REVENUE AND FISCAL AFFAIRS OFFICE APPROPRIATED FTE'S - FY22/23



FY 23-24 Budget Priorities Summary

Agency Name: Revenue and Fiscal Affairs

Budget Priorities		Funding						FTEs				
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<u>1.3</u>	RFA must estimate per pupil state, federal, and local revenues for each school district for the current fiscal year. These estimates must be posted in a prominent place on the RFA website. RFA shall also post the one hundred thirty-five day average daily membership for each school district and per pupil state, federal and local revenues, excluding revenues of local bond issues, based on the most recent audited financial statement as reported annually pursuant to Section 59 17-100.	Keep
<u>1.79</u>	RFA shall estimate a southeastern average teacher salary, which shall be the average of the average teachers' salaries of the southeastern states.	Keep
<u>1.91</u>	RFA shall create the per pupil funding report to be referenced with the SCDE Virtual Program Funding.	Keep
<u>1.114</u>	The Chair of the RFA Board shall appoint one member to the SC Teacher Recruitment and Retention Task Force.	Keep
<u>33.2</u>	RFA shall compute a composite index to reflect the respective costs of the components of the Medicaid program expenditures in computing the maximum inflation factor to be used in long term care contractual arrangements involving reimbursement of providers. The Revenue and Fiscal Affairs Office shall update the composite index so as to have the index available for each contract renewal.	Keep
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In the FY 2022-23 state budget, the Governor and General Assembly approved RFA's request for \$385,000 in additional funding to attract and retain a professional workforce.

This was the first request by the agency for new appropriations for general operations since its inception in 2014, having made great efforts over this time to improve its workforce and salary structure using existing resources.

More specifically, the agency has decreased its staff from 80 to 72 (which includes 6 vacancies anticipated to be filled in FY 23). Through attrition, reclassification, and realignments within these positions, the agency has reduced its percentage of employees with limited expertise (pay bands 03, 04) from 10% of its staff in 2014 to 0% as of the end of FY 2021-22 while increasing its staff in the most specialized positions (pay bands 07 and above) from 33% to 50%. These results were achieved by reviewing vacancies created through attrition and reallocating duties and funding, which resulted in savings of approximately \$390,000. Through these actions and other cost-savings measures, the agency has managed to increase services and expand the level of expertise it provides.

In developing a plan to implement this new appropriation, the agency worked with the Department of Administration's Shared Services and the State's Division of Human Resources to ensure compliance with state laws and regulations. RFA identified 26 different positions within the agency and focused and prioritized salary adjustments based on several factors including ability to compete with comparable public and private sector jobs, difficulty experienced in recruitment and retention (turnover), work conditions, internal equity, needed skills, and additional duties. The agency implemented these salary adjustments within the first week of July 2022.

Salary adjustments were approved for all 66 employees at that time. The total General Fund cost for salary and fringe benefits was \$334,224 (87% of the additional funding) and \$240,734 in Other Funds which came from within the agency's own revenue sources. Most employees received a salary adjustment between 4% and 8% based on market competitiveness, retention and recruitment concerns, and internal equity. A total of 29 employees received increases due to additional duties.

The remaining General Funds for this purpose (\$50,776) will be used for additional targeted increases for recruitment and retention efforts for the most critical positions.

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