


Ways and Means Committee
Other Funds Workshop

AGENDA
January 19, 2011

Immediately Upon Adjournment in Room 101 of the Blatt Building

- I. Introduction and Overview
- II. Presentation by Co-Chair White of the Other Funds Oversight Committee
- III. Presentation by Les Boles, Director of the Office of State Budget
- IV. Questions

Other Funds in the South Carolina State Budget



"By failing to prepare, you are preparing to fail."
- Ben Franklin

- In the FY10-'11 budget, proviso 70.27 was crafted to create the Joint Other Funds Oversight Committee...

(With Other Funds Oversight Committee) There is created a joint committee of the Senate and of the House of Representatives entitled the Other Funds Oversight Committee. The committee shall consist of eight members: four members appointed by the Chairman of the Senate Finance Committee, one member of the Senate Finance Committee appointed by the Chairman of the Senate Finance Committee, one member of the House of Representatives appointed by the Chairman of the House Ways and Means Committee, the Senate Minority Leader, or his designee, the House Minority Leader, or his designee, the House Majority Leader, or his designee, and the House Minority Leader, or his designee.

The committee shall review and assess the source of other funds in this State and recommend to the General Assembly the appropriate policy for the receipt, appropriation, expenditure, and recovery of other funds. In making its recommendations, the committee shall submit and receive testimony from state agencies, departments, boards, or commissions regarding the status of the receipt of other funds, the conditions of receipt, expenditure, and recovery of other funds, and any relevant statistics or measurement. The committee shall make recommendations to the General Assembly regarding any necessary action.

Each state agency, department, board, or commission shall cooperate with the committee and provide any information the committee determines to be necessary.

The Office of State Budget must notify the committee of any request for an increase in interim budget authorization resulting from other funds collections that is made by any state agency, department, board, or commission. The committee shall review each request and recommend appropriate action.

Members of the committee shall serve without compensation, but are allowed the usual per diem and mileage as provided by law for members of boards, commissions, and committees while on official business.

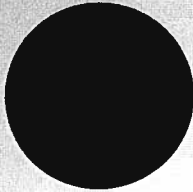
For purposes of this provision, "other funds" means any revenues received by an agency which are not federal funds and are not general funds appropriated by the General Assembly in the appropriations act.

The Joint Other Funds Oversight Committee

- General Funds**
 - \$5.75 Billion
- Federal Funds**
 - \$7.37 Billion
- Other Funds**
 - \$7.44 Billion
 - These funds represent ~36% of SC's Budget
- Total Funds**
 - \$20.56 Billion

The Budget Breakdown

The South Carolina State Budget



- General Funds; 27.97%
- Federal Funds; 35.85%
- Other Funds; 36.19%

In Chart Form – By Percent

- Other Funds can have two designations:**
 - Earmarked or;
 - Restricted
- Earmarked Funds**
 - Interest on these funds are remitted to the General Fund
 - Example: DMV License Fees
- Restricted Funds**
 - Interest on these funds remit back to each item specifically
 - Example: EIA (Education Improvement Act)

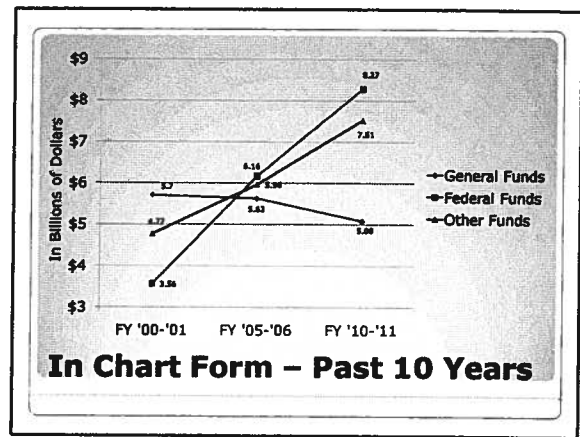
What is an "Other Fund"

- More Examples**
 - DOT
 - Tuition
 - Hunting/Fishing Licenses
 - Recycling Fees

Other Funds encompass everything that is not a State or Federal dollar.

- In the past 10 years, General Funds decreased by \$163 Million. (-3.11%)
- In the past 10 years, Federal Funds increased by \$4.7 Billion (+132%)
- In the past 10 years, Other Funds increased by \$2.9 Billion (+66%)

A Historical Look...



- The General Assembly Controls...
 - How revenues are collected/deposited
 - How much is spent
 - What they're spent on
 - Transfers and Carry Forwards
- The Executive Branch Controls...
 - Implementation and action

How are Other Funds allocated?