



**SOUTH CAROLINA
DEPARTMENT OF EMPLOYMENT
AND WORKFORCE**

**House Ways and Means
Transportation and Regulatory Subcommittee
Budget Hearing**

Thursday, January 21, 2021

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Key Agency Officials

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Our Mission

To promote and support an effective, customer-driven workforce system that facilitates financial stability and economic prosperity for employers, individuals and communities.

Our Vision

To be viewed as an efficient, transparent, customer-friendly partner in providing quality workforce solutions.

Our Commitment

DEW is dedicated to the motto: See it. Own it. Work it. DEW it. We know that each and every employee plays a role in the success of the agency and accomplishing the mission. At its core, See it. Own it. Work it. DEW it. means that as employees of DEW, if we know of an issue, we take ownership of that issue and work to come up with a solution.

Primary Products and Services

Agency Departments and Divisions

1

Unemployment Insurance

A federally mandated program that provides financial assistance to eligible workers who become unemployed through no fault of their own.

2

Employment Services

This division works to bring employers and job seekers together through hiring events, specialized training and pilot projects to name a few examples.

3

Workforce Development

Focuses on innovative approaches to workforce development.

4

Labor Market Information

LMI gathers employment statistics, job forecasts, wages, demographics and other data to help various stakeholders understand today's complex workforce.

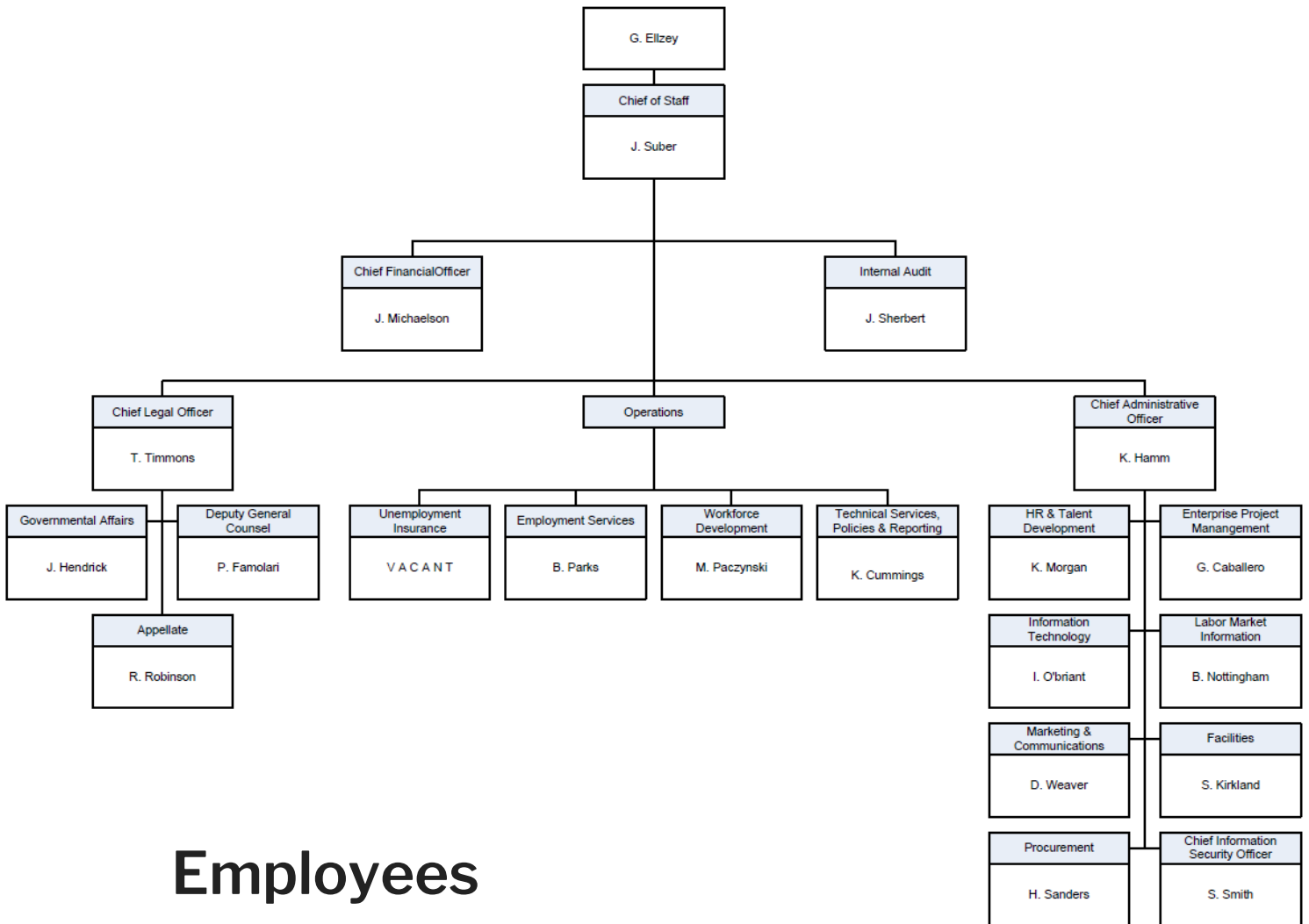
5

Technical Services, Policies and Reporting

Responsible for fulfilling performance and reporting requirements for workforce programs under the Workforce Innovation and Opportunity Act.

Organizational Chart

SC Department of Employment and Workforce



Employees

The South Carolina Department of Employment and Workforce has a total of 640 employees as of January 11, 2021.

- 567 Full Time Employees
- 45 Temporary Grant Employees
- 28 Temporary Employees

Performance Update Executive Summary

Outside of DEW's diligence throughout the 2019-2020 year to improve processes and fulfill the objectives of its strategic plan - and then how many of those projects resulted in the preparation of the unforeseen- there were dozens of additional efforts that were implemented above and beyond the expectations for the year.

WAITING WEEK:



State law requires a claimant to wait one full waiting week before they receive unemployment insurance (UI) benefits. Due to the extraordinary circumstances of COVID-19, DEW waived the waiting week allowing claimants' first week of unemployment to be counted as an eligible week for UI benefits.

RECALL TASKFORCE/FRAUD:



The Recall Taskforce was formed to assist employers as they invited their employees back to work after a furlough or temporary layoff. While most employees were excited to get back to financial stability, this taskforce was designed to help ensure someone didn't refuse an offer of work for the benefit of staying on unemployment benefits.

GOVERNMENTAL AFFAIRS:



The Governmental Affairs team provided updates to legislators on the agency's actions and progress as well as weekly projections for the UI Trust Fund and triaged inquiries from legislators regarding their constituent's claims, working to get issues resolved on their behalf.

TUTORIALS AND VIDEOS:



To help claimants navigate the intricate UI process, DEW created PDF and video tutorials to help provide visual and step-by-step instructions and tips to make the claims process easier to understand. Since March 15, 2020, the agency saw a 999% increase in viewership of YouTube videos with more than 543,000 video views. In addition, the agency created videos to explain the various programs of the CARES Act and videos with agency leadership speaking to our efforts and addressing the most pressing questions from claimants.

COVID RESOURCE HUB:



Due to COVID-19 changing requirements, state laws and other guidelines of the UI program, DEW launched a COVID-19 Resource Hub to house all of the most pertinent information about unemployment insurance during a pandemic. This served well as a central resource where job seekers and employers could access press releases, FAQs, instruction sheets, program updates and more. As the pandemic continued and need grew, the agency expanded its main website to house pages devoted to CARES Act programs, filing hints and tips and FAQ documents sorted by subject.

CALL CENTER:



The agency realized within days that the staffing that would typically be appropriate to provide customer service for UI was not nearly sufficient for the pandemic. In addition to bolstering the bandwidth of the phone lines and increasing staff by more than 900%, DEW worked with call center experts to test and improve the 866 customer service line, including overhauling prompts to trigger appropriate calls to designated skilled employees and continuous training of staff in order to minimize call-backs and redirection of calls.

SOCIAL MEDIA:



From mid-March to June 30, DEW has posted 986 times on Facebook, Instagram, LinkedIn, Twitter and YouTube and sent more than 46,000 messages through these platforms. In addition, the agency has had 4,633,752 impressions, which is the number of times the agency's content has been displayed to users on our social media accounts, and DEW's social platforms have accumulated nearly 17,000 new followers.

MEDIA RELATIONS:



To help ensure transparency of the agency's actions, we provided one to three press releases to media partners each week and DEW staff completed 349 interviews with media partners statewide. Weekly recap emails were also sent each Friday afternoon to nearly 300 news outlets with the highlights of the week, and a video clip was recorded with agency leadership each week as a response to the weekly initial claims press release.

MOBILE VERSION OF THE WEBSITE:



Website analytics showed that more than 50% of those visiting dew.sc.gov were viewing from a mobile phone or tablet. While the DEW website was responsive to different device sizes, there was a need to simplify the experience. The agency worked with a third party vendor to build out a more user-friendly mobile platform with streamlined information.

VIRTUAL TOWN HALLS AND CONFERENCE CALLS:



DEW conducted more than 60 tele-town halls and calls between March and the end of June for elected officials, legislators, associations and nonprofits in order to speak to the various programs, discuss eligibility and answer questions.

CLAIMANT SYSTEM EMAILS AND TEXTS:



The agency developed triggered emails and texts for various milestones of the application process for individuals who filed a claim through the claimant portal.

WORK SEARCH:



The ultimate goal is to help transition a claimant receiving unemployment insurance benefits back into the workforce. To help encourage this transition, state law requires two work searches to be completed by claimants each week within SC Works Online Services (SCWOS). Because many individuals were on temporary layoff or furlough, DEW waived the work search requirement.

UNEMPLOYMENT INSURANCE FRAUD

In the past, DEW has employed several tactics throughout the UI process to identify and deter fraud. For instance, when a claim is filed, individuals have to complete and certify information within the system, including a fact-finding section that is built into the application. There is also a waiting week once an individual files a claim, during which an employer is contacted to verify the person's information. Additionally, a claimant must certify each week that they are still unemployed.

On top of these methods which have been used successfully to prevent improper payment from the UI system, the agency employed cross matches, a fraud reporting system and a new hire database to identify potential fraud.

DEW also runs a consistent anti-fraud communications campaign in which it explains how to avoid unintentionally committing fraud and the consequences for those who are prosecuted for fraud.

Awareness for mitigation

- Regardless of the extremely low percentage of fraudulent claims during "normal" times, if the percentage stays the same as the volume of claims rises, the number of fraudulent claims will also rise.
- As the administrative agency for unemployment funding created through the CARES Act, DEW was responsible for implementing these programs rapidly and under the guidance provided by the U.S. Department of Labor. Some of the programs not only come with very lucrative fraud targets, they rely on self-attestation and very few certification requirements in the application.
- Identity theft is currently a very popular method of unemployment insurance fraud nationwide.

WEATHER EVENTS

The National Oceanic and Atmospheric Administration's 2020 Atlantic Hurricane Season Outlook predicts above-normal activity for the hurricane season. The outlook indicates that the possibility of an above-normal season is 85%.

In the past few years, South Carolina has experienced the effects of these major storms and the disruptions they cause with employment. As part of the S.C. Emergency Management Division response team, DEW is integral in helping people access unemployment insurance when an individual's job has been affected by a storm.

Awareness for mitigation

- Implementation of Disaster Unemployment Assistance (DUA), along with the other federal programs that are already in the benefits system could take time.
- The strain on FEMA funds due to Lost Wages Assistance is not yet fully understood.

INFORMATION SECURITY

At the end of the 2019-2020 year, the number of individuals who had filed a claim within DEW's benefit portal totaled more than 635,000. The data and Personal Identifiable Information (PII) attached to each of those claimants, as well as the information attached to the more than 150,000 businesses in the tax system has the agency on heightened alert and working diligently with vendors to protect this information.

Awareness for mitigation

- The need to install upgrades to critical computer and network infrastructure to support agency operations will continue.
- Increased demand on IT systems may require additional security and infrastructure upgrades to accommodate remote work and increased workloads.

COVID RECOVERY

In addition to presenting the agency with unforeseen obstacles, COVID-19 has demanded that the agency expand and grow as part of the counter-cyclical nature of our work. Depending on the duration of the pandemic, the agency will have to remain fluid in order to respond appropriately as South Carolina recovers. Short-term, the focus of our agency has begun to shift from an unemployment focus to a reemployment focus, rededicating our expertise and support to the state's employers and workforce.

Awareness for mitigation

- The agency does not know what additional unemployment funds, regulations, guidelines or reporting will be expected of the agency in the years to come. Any of which could create staffing or resource demands.
- While the trust fund has been shored up by funding from the CARES Act, extended unemployment could require more benefits for South Carolinians. A true rebuild has yet to be identified.
- Employment Services and Workforce Development will begin to bear the responsibility of South Carolina's workforce. New and creative ways of finding work and doing business may need to be included and supported.

Financial Update

Budget vs. Actual for FY 20 and FY 21

Fiscal Year	Program	Cmmt Item	Cmmt Name	Budget	Actual
2020	Be Pro Be Proud	561000	Special Items	642,500	0
	Be Pro Be Proud Total			642,500	0
	Work Readiness Program	501058	Personal Services	50,674	50,674
		501070	Personal Services	600	600
		512001	Other Operating Expenses	420,565	420,565
		513000	Employer Contributions	27,210	27,210
	Work Readiness Program Total			499,049	499,049
2020 Total				1,141,549	499,049
2021	Be Pro Be Proud	561000	Special Items (Carry Forward)	642,500	130,412
	Be Pro Be Proud Total			642,500	130,412
	Work Readiness Program	501058	Personal Services	61,200	0
		512001	Other Operating Expenses	422,000	419,311
		513000	Employer Contributions	21,459	0
		561000	Special Items (Carry Forward)	5,610	0
	Work Readiness Program Total			510,269	419,311
2021 Total				1,152,769	549,723

Carry Forward Balance

General Fund - FY 20 to FY 21

Doc Year	Entry Docu	Doc. Type	Process	Year	Budget Type	Fund	Funds ctr	Cmmt item	Grant	Funded Program	Amount LC
2021	1000702399	CFWD	Carry For. Recv	2021	Carryforward Special Items	10010000	R6000000	561000	NOT RELEVANT	9817.130000X000	642,500.00
2021	1000709770	CFGF	Carry For. Recv	2021	Carryforward Gen Fund	10010000	R6000000	561000	NOT RELEVANT	8900.000000X000	5,610.18

Prioritized Budget Request

FY 21-22 Prioritized Budget Request Summary												
Department of Employment and Workforce (R600 - 83)												
BUDGET REQUESTS				FUNDING					FTEs			
Priority	Request Type (recurring, non-recurring, capital)	Request Title	Brief Description	General - Recurring	General - Nonrecurring	Other	Federal	Total	State	Other	Federal	Total
1	Non-recurring	Be Pro Be Proud	Be Pro Be Proud SC visits schools and events, offering exposure to available careers in trade, along with information about the skills needed and training resources available. Stepping inside the 53-foot mobile workshop, participants experience nine in-demand professions, which offer engagement through: a heavy equipment simulator, fork lift simulator, diesel technology, commercial driving simulator, construction technology, utility bucket station, welding simulators, and computer numerical control (CNC) operations.		642,500.00			642,500.00	1.50			1.50
2	Recurring	Work Readiness Program	SC Work Ready is administered by the SC Department of Employment and Workforce (DEW) through a contract with WIN Learning. DEW is responsible for managing the multi-agency workforce and economic development effort and providing technical assistance as needed. South Carolina must continuously improve the skill set of its workforce to be competitive in a global market and to meet the needs of existing business and industry. The program measures the quality and capability of our workforce and provides the means to better prepare and align our workforce with existing business and industry. This request is for one program year in which 20,000 (projected) South Carolinians will take work readiness assessments.	504,659.00				504,659.00	1.00			1.00
3								0.00				0.00
4								0.00				0.00
5								0.00				0.00
6								0.00				0.00
7								0.00				0.00
8								0.00				0.00
9								0.00				0.00
10								0.00				0.00
11								0.00				0.00
12								0.00				0.00
13								0.00				0.00
14								0.00				0.00
15								0.00				0.00
16								0.00				0.00
17								0.00				0.00
18								0.00				0.00
19								0.00				0.00
20								0.00				0.00
TOTAL BUDGET REQUESTS				\$ 504,659	\$ 642,500	\$ -	\$ -	\$ 1,147,159	2.50	0.00	0.00	2.50

Proviso Request Summary

Law Enforcement and Criminal Justice Subcommittee						
Proviso Request Summary						
FY 20-21 Proviso #	Renumbered FY 21-22 Proviso #	Proviso Title	Short Summary	FY of Proviso Introduction/ # of years in budget	Recommended Action	Proviso Language
83.5		UI Tax System Modernization - Sale of Surplus Real Property	Per requirements set forth in Section 903 (c) (2), SSA, the agency is requesting spending authority necessary to use the proceeds from sale of real properties containing Reed Act equity.	FY 2015-16	Amend	The Department of Employment and Workforce is authorized to expend up to \$4,738,150 1,158,150 of funds made available to the State under Section 903 of the United States Social Security Act, as amended. The funds must be used under the direction of the Department of Employment and Workforce, for the purpose of acquiring software, equipment, and necessary services to replace the agency's unemployment tax information system with a modern technology solution. No part of the funds herein authorized may be obligated after a two-year period beginning on July 1, 2020 2021. The amount obligated pursuant to this provision shall not at any time exceed the amount by which (a) the aggregate of amounts transferred to the accounts of the State pursuant to Section 903 of the Social Security Act exceeds (b) the aggregate of the amounts obligated for administration and paid out for administration and paid out for benefits and required by law to be charged against the amounts transferred to the account of this State.

Other Initiatives

Be Pro Be Proud SC

On September 3, 2020, the Be Pro Be Proud SC Mobile Workshop began touring the state, encouraging South Carolinians to consider high-wage, skilled trade professions.

Be Pro Be Proud SC visits schools and events, offering exposure to available careers in trade, along with information about the skills needed and training resources available.

Stepping inside the 53-foot mobile workshop, participants experience nine in-demand professions, which offer engagement through: a heavy

equipment simulator, fork lift simulator, diesel technology, commercial driving simulator, construction technology, utility bucket station, welding simulators, and computer numerical control (CNC) operations.

Be Pro Be Proud is a public/private partnership, supported by the Associated Industries of South Carolina Foundation (AISCF) and DEW.

From its launch in September through December of 2020, Be Pro Be Proud hosted 35 events.



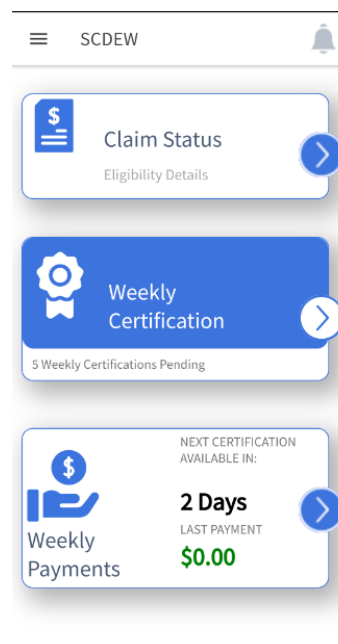
Other Initiatives

Mobile App

The South Carolina Department of Employment and Workforce developed an app for Android and Apple devices that:

- Increases convenience and ease of interaction
- Overcomes the broadband issue
- Allows users to:
 - Certify their weekly claim
 - Read notifications and communications
 - Check claim status
 - Check claim balance

The app has already soft launched to good reviews and will officially launch in late January.



Agency Name:	Department Of Employment And Workforce		
Agency Code:	R600	Section:	83



**Fiscal Year FY 2021-2022
Agency Budget Plan**

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS <i>(FORM B1)</i>	For FY 2021-2022, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting General Fund Appropriations
	<input type="checkbox"/>	Requesting Federal/Other Authorization
	<input checked="" type="checkbox"/>	Not requesting any changes.

NON-RECURRING REQUESTS <i>(FORM B2)</i>	For FY 2021-2022, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting Non-Recurring Appropriations
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization
	<input checked="" type="checkbox"/>	Not requesting any changes.

CAPITAL REQUESTS <i>(FORM C)</i>	For FY 2021-2022, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting funding for Capital Projects
	<input checked="" type="checkbox"/>	Not requesting any changes.

PROVISOS <i>(FORM D)</i>	For FY 2021-2022, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
	<input checked="" type="checkbox"/>	Only requesting technical proviso changes (such as date references).
	<input type="checkbox"/>	Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Shaji Kuriakose	(803) 737-2571	skuriakose@dew.sc.gov
SECONDARY CONTACT:	James Michaelson	(803) 737-0367	jmichaelson@dew.sc.gov

I have reviewed and approved the enclosed FY 2021-2022 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

SIGN/DATE: TYPE/PRINT NAME:	<i>Agency Director</i> 	<i>Board or Commission Chair</i>
	G. Daniel Ellzey	

This form must be signed by the agency head – not a delegate.

Agency Name:	Department Of Employment And Workforce		
Agency Code:	R600	Section:	83



Fiscal Year FY 2021-2022

Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS <i>(FORM B1)</i>	For FY 2021-2022, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting General Fund Appropriations.
	<input type="checkbox"/>	Requesting Federal/Other Authorization.
	<input checked="" type="checkbox"/>	Not requesting any changes.

NON-RECURRING REQUESTS <i>(FORM B2)</i>	For FY 2021-2022, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input checked="" type="checkbox"/>	Not requesting any changes.

CAPITAL REQUESTS <i>(FORM C)</i>	For FY 2021-2022, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting funding for Capital Projects.
	<input checked="" type="checkbox"/>	Not requesting any changes.

PROVISOS <i>(FORM D)</i>	For FY 2021-2022, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
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	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Shaji Kuriakose	(803) 737-2571	skuriakose@dew.sc.gov
SECONDARY CONTACT:	James Michaelson	(803) 737-0367	jmichaelson@dew.sc.gov

I have reviewed and approved the enclosed FY 2021-2022 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	<u>Agency Director</u>	<u>Board or Commission Chair</u>
SIGN/DATE:		
TYPE/PRINT NAME:	G. Daniel Ellzey	

This form must be signed by the agency head – not a delegate.

Agency Name:	Department Of Employment And Workforce
Agency Code:	R600
Section:	83

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
TOTALS			0	0	0	0	0	0.00	0.00	0.00	0.00	0.00

Agency Name:	Department Of Employment And Workforce		
Agency Code:	R600	Section:	83

FORM D – PROVISO REVISION REQUEST

NUMBER	83.5
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Cite the proviso according to the renumbered list (or mark "NEW").

TITLE	UI Tax System Modernization
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Provide the title from the renumbered list or suggest a short title for any new request.

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

RELATED BUDGET REQUEST	N/A
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Is this request associated with a budget request you have submitted for FY 2021-2022? If so, cite it here.

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

OTHER AGENCIES AFFECTED	Department of Administration
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>Per requirements set forth in Section 903 (c) (2), SSA, the agency is requesting spending authority necessary to use the proceeds from the sales of real properties containing Reed Act equity.</p> <p>Federal law prescribes the allowable uses and procedures to be followed by states when disposing of property containing federal grant equity. Section 903 (c) (2), SSA, requires state appropriation acts to authorize the use of Reed Act funds, limit the use of the funds exclusively for UI program use, and to specify the purpose and the amount to be used for such purposes. This request for \$1,158,150 of other funds from future sale proceeds will be utilized to fund a portion the agency's unemployment tax system modernization project, including maintenance costs.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

The total requested amount of spending authority was determined based on proceeds from sales already executed as well as the potential amount of Reed Act proceeds associated with properties currently listed for sale on state surplus.

Only amounts actually received via the sale of Reed Act properties will be used for this purpose and no general funds will be requested for these efforts.

Up to \$1,158,150 of other funds will be utilized to fund a portion the agency's unemployment tax system modernization project.

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

**PROPOSED
PROVISO TEXT**

Amend

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

Agency Name:	Department Of Employment And Workforce		
Agency Code:	R600	Section:	83

FORM E – AGENCY COST SAVINGS AND GENERAL FUND REDUCTION CONTINGENCY PLAN

TITLE	Agency Cost Savings and General Fund Reduction Contingency Plan
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AMOUNT	\$15,140
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What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.

ASSOCIATED FTE REDUCTIONS	No FTE elimination would be required by the reduction.
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How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM / ACTIVITY IMPACT	DEW's only general funds appropriation supports the Work Ready program. The South Carolina Department of Employment and Workforce administers a statewide work ready program. DEW is responsible for managing the multi-agency workforce and economic development effort, tracking the progress of counties reaching certification levels and providing technical assistance as needed. Public and private sector leaders to include local educators, elected officials, chambers of commerce, economic developers, workforce development boards, government agencies and businesses are the drivers of the program. The impact will equate to administering approximately 1,900 fewer assessments for job seekers and businesses of South Carolina.
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What programs or activities are supported by the General Funds identified?

SUMMARY	General fund reduction of \$15,140 would equate to approximately 1,900 fewer assessments being administered during the 2021-2022 fiscal year. This is based on the current pricing of \$8.00 per assessment.
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Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations and provide the method of calculation for anticipated reductions. Agencies should prioritize reduction in expenditures that have the least significant impact on service delivery.

**AGENCY COST
SAVINGS PLANS**

What measures does the agency plan to implement to reduce its costs and operating expenses by more than \$50,000? Provide a summary of the measures taken and the estimated amount of savings. How does the agency plan to repurpose the savings?

Agency Name:	Department Of Employment And Workforce		
Agency Code:	R600	Section:	83

FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	Modernization of South Carolina Benefits and Tax System.
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Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	This improved system will focus on the integrity of unemployment benefits claims submitted for the state of South Carolina and taxes assessed & collected from employer. This directly impacts citizens and businesses because of the calculated tax rate settings are based on the claims submitted. Improper payments affect the tax rate settings for citizens and businesses. Through identifying improper payments with this new technology, the rate would thus decrease, saving time and money for citizens and businesses.
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What is the expected savings to South Carolina's businesses and citizens that is generated by this proposal? The savings could be related to time or money.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Repeal or revision of regulations.
	<input type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.
	<input checked="" type="checkbox"/>	Greater efficiency in agency services or reduction in compliance burden.
	<input type="checkbox"/>	Other

METHOD OF CALCULATION	<p>No general funds were used to develop or purchase of these systems. The retirement of legacy benefits and tax systems has allowed the agency to eliminate nearly \$3M of the annual software, hardware, support, consulting, and personnel costs associated with the operations of a mainframe computing environment.</p> <p>SCUBI (the agency's UI benefits modernized system) have saved thousands of staff hours to complete tasks and there are many other additional benefits from the new system.</p> <p>The agency has gained enormous efficiencies with new State Unemployment Insurance Tax System (SUITS). The increase in self-service by employers, an increase in electronic wage report filings, and more tax payments being processed using an electronic payment have saved thousands of staff hours, and has resulted in an estimated annual savings of more than \$2 million.</p>
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Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.

REDUCTION OF FEES OR FINES	N/A
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Which fees or fines does the agency intend to reduce? What was the fine or fee revenue for the previous fiscal year? What was the associated program expenditure for the previous fiscal year? What is the enabling authority for the issuance of the fee or fine?

REDUCTION OF REGULATION	N/A
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Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

	<p>The retirement of legacy benefits and tax systems has allowed the agency to eliminate nearly \$3M of the annual software, hardware, support, consulting, and personnel costs associated with the operations of a mainframe computing environment. Furthermore, the agency has invested in reducing its data center and computing infrastructure footprint by converting to a Hyper-Converged Infrastructure at the recommendation of the Department of Technology Operations. This shift allowed the agency to expand its compute and storage capacity to roughly double its previous investment at roughly half the cost. Full replacement of the existing hardware and software would have cost roughly \$1.5 to \$1.8M. The HCI shift saved the agency roughly \$550,000.00.</p>
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SUMMARY

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