

Improve our K-12 Student Performance				
Activity Number	Agency Name	Activity Name	Rationale	Savings Amount
<b>SAVINGS PROPOSALS</b>				
222	State Budget & Control Board	Confederate Relic Room & Military Museum Services	While we support the museum's mission and recognize its importance in honoring our state's rich military history, we believe the museum can effectively carry out its mission with a 1/3 reduction in operational funds. Additionally, the museum should consider charging admission fees for visitors younger than 21 and continue to seek grants and private donations. Activity was ranked a low priority by the budget results team.	300,000 General Funds
712	State Department of Education	SAT Improvement	We agree with the State Department of Education's recommendation to eliminate this funding because it is too little money to be effective in all 85 school districts. Districts already fund SAT improvement efforts, so cutting this funding does not eliminate all SAT improvement efforts.	232,384 General Funds
719	State Department of Education	Character Education Program	The State Department of Education recommends eliminating this funding, and we agree. While we believe that character education programs are important, the current funding level is not enough to be effective in all 85 school districts. Additionally, the Education and Economic Development Act mandates character education activities, which makes this activity duplicative.	217,788 General Funds
727	State Department of Education	Accreditation of Schools	The Legislative Audit Council has recommended - and we agree - that the State Department of Education adopt the accreditation standards set by the Southern Association of Colleges and Schools.	269,483 General Funds
797	State Department of Education	Finance	The Finance and Operations Office provides financial, procurement, and human resources support for the State Department of Education. We believe this function can be performed at lower costs. Carry forward funds should be available to offset any reductions.	438,558 General Funds
798	State Department of Education	Administration	This is a worthwhile yet lower priority function. We believe that this office can carry out its duties with reduced funds. Numerous other agencies carry out executive, legal, and public information duties with substantially fewer than 30 full-time staff members. We recommend reducing funds in this area and redirecting the savings to classrooms.	201,980 General Funds
803	State Department of Education	FIRST STEPS - Administration	This activity provides administrative support services to local FIRST STEPS programs throughout the state. We recommend reducing funding for this program because the program can be performed at lower costs.	216,508 General Funds
	State Department of Education	Staff Reductions	The recent budget cuts have reduced the amount of funding going to classrooms across our state. While we understand that eliminating jobs at the State Department of Education is a difficult decision to make, we believe that unnecessary staff positions at DOE should be cut to allow more dollars to flow into the classroom. Eliminating 94 positions will produce cost savings of nearly \$7 million.	6,806,248 General Funds
	State Department of Education	Hiring Freeze	Currently, the State Department of Education (SDE) has 93 vacant positions. In its current budget, the SDE has already taken into account 40 of these positions. We recommend recognizing the additional 53 unfilled positions (salaries and benefits) for cost savings of \$2,650,000.	2,650,000 General Funds

	H63	State Department of Education	School Districts Consolidation	We have long advocated for school district consolidation. In 2003, the Education Oversight Committee released a report stating that, if districts would consolidate to reach a minimum population of 2,500 students, then our state could save nearly \$26 million in administrative costs. Forcing taxpayers in counties that meet this standard to pay for multiple school districts in counties that do not meet this standard is not fair. We recommend reducing funding by \$26 million over three years. The state will realize cost savings of \$8,666,667 in FY 2009-10.	8,666,667	General Funds
812	H64	Governor's School for Arts and Humanities	Administration	Agency administration is obviously necessary, but we believe the relevant administrative responsibilities can be performed at lower costs. While we support the school's mission, we must reduce administrative overhead in lean budget years and direct funding to the classrooms.	52,331	General Funds
816	H65	Governor's School for Math and Science	Administrative Overhead	Agency administration is obviously necessary, but we believe the relevant administrative responsibilities can be performed at lower costs. While we support the school's mission, we must reduce administrative overhead in lean budget years and direct funding to the classrooms.	26,340	General Funds
824	H67	Educational Television Commission	Agency Fundraising	This funding goes towards agency fundraising to support ETV's programming services, and is a worthwhile program. We recommend reducing funding for this activity because we believe that the Commission can raise funds effectively without these general funds.	49,957	General Funds
831	H67	Educational Television Commission	Administration	We believe the agency can perform its administrative duties at lower costs. While we support ETV's mission, we must reduce administrative overhead in lean budget years and direct funding to other educational programs and services.	73,460	General Funds
832	H71	Will Lou Gray Opportunity School	Administration Program	We believe the agency can perform its administrative duties at lower costs. While we support the school's mission, we must reduce administrative overhead in lean budget years and direct funding to other educational programs and services.	32,429	General Funds
855	H75	School for the Deaf & the Blind	Administration	We believe the agency can perform its administrative duties at lower costs. While we support the school's mission, we must reduce administrative overhead in lean budget years and direct funding to other educational programs and services.	75,283	General Funds
1716	H63	State Department of Education	Student Health and Fitness Education	We have consistently supported the Student Health and Fitness Act because it addresses growing health issues, such as obesity, that are plaguing our children in South Carolina. However Superintendent Rex recommends, and we agree, that funding for this program can be reduced by \$300,000. Implementing the FitnessGram, which we propose in this budget, will replace the functions supported by this funding. Texas Governor Rick Perry mandated this assessment in 2007, and student academic scores have improved and discipline issues decreased due to a concerted effort to focus on children's health. We look forward to seeing the same benefits in South Carolina upon implementation of the FitnessGram that Texas saw after implementing the program in 2007.	300,000	General Funds
1719	H63	State Department of Education	Education and Economic Development Act	In an effort to absorb budget cuts, state Department of Education officials have recommended suspending all non-federally-required testing. The High Schools that Work assessments fall into this category. In agreement with the Department of Education efforts, we recommend suspending a portion of HSTW funding for FY 2009-10.	2,931,657	General Funds
1827	H63	State Department of Education	Virtual Learning	We support the S.C. Virtual School Program because it provides options for students who need alternative methods of learning. However, budget cuts have already forced the program to freeze open teaching positions. We recommend cutting the funding for these vacancies.	474,005	General Funds



1508	P20	Clemson PSA	4-H and Agricultural & Natural Resource Programs for Youth	This is a low-priority activity that, if worthwhile, should be funded through vocational or Education and Economic Development Act funding.	4,190,086	General Funds
1593	L 12	John de la Howe	Therapeutic Wilderness Camping	This new activity, added in the last 4 years, teaches life skills through a one-year, full-time outdoor living experience. This year, there are only 13 boys enrolled in the program. While the intent of this program is worthy, in a tight budget year, we recommend that the agency seek alternative funding.	451,679	General Funds
1704	H27	University of South Carolina - Columbia	Freshwater Initiative	This activity has not been tied to student achievement. Schools wishing to take advantages of the services provided through this activity should do so using existing programmatic funding devoted to curriculum mastery. In a tight budget year, we recommend eliminating funding for this program.	300,000	General Funds
				<b>Below the Line Savings Subtotal</b>	<b>10,033,038</b>	
				<b>TOTAL GOAL AREA SAVINGS</b>	<b>34,048,116</b>	

Improve our Higher Education System and Cultural Resources					
Activity Number	Agency Name	Activity Name	Rationale	Savings Amount	Source
<b>SAVINGS PROPOSALS</b>					
283	H03 Commission on Higher Education	Pass Through Savings - University Center of Greenville	The University Center of Greenville is a consortium of public and private colleges and universities offering degree programs to the citizens of the Upstate and surrounding areas. We believe the 7 institutions (1 of which is private) that comprise the Center can coordinate adequately to support this program from their existing funds without additional state revenue.	301,886	General Funds
284	H03 Commission on Higher Education	Pass Through Savings - Lowcountry Graduate Center	The Lowcountry Graduate Center is a consortium of four public colleges in the Charleston area that offer graduate degree programs. We support the graduate center's efforts, however we believe that funding should come from the participating institutions now that the center has been operating for eight years. Additionally, we recommend reducing the these pass-through funds because the agency has no control over how the funds are spent, and because pass-through funding diminishes governmental accountability.	1,199,097	General Funds
285	H03 Commission on Higher Education	Access and Equity	The Access & Equity program supports efforts to recruit and retain minority students. We support the program's mission, but we recommend reducing funding because we believe this funding could be better spent on needs-based scholarships.	201,723	General Funds
293	H03 Commission on Higher Education	Youth Leadership Conference	While this funding's intent is worthy, we believe that expenditures should be focused towards the CHE's core mission. We recommend that private sector support be sought for this activity.	22,035	General Funds
318	H06 Tuition Grants Commission	Administration	Based on the recent cuts to the Tuition Grants Commission, we do not believe that the agency has sufficient funds to meet the obligations of its current lease. We recommend that the Commission cancel the terms of its current lease without penalty and with the approval of the Budget and Control Board. There are only three employees who work with the Commission, and we believe they could effectively carry out their mission by sharing space with another state agency. Activity was ranked a low priority by the budget results team.	37,469	General Funds
324	H09 The Citadel	Advertising/Marketing	Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region - which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.	1,037,056	General Funds
345	H09 The Citadel	Coeducation Initiative	This program has been in place since 1997, and the institution should be closer to its goal now. We recommend reducing funding for those costs which are duplicative of existing, non-coed administration initiatives.	1,110,000	General Funds

365	H12	Clemson University	Advertising/Marketing	Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region - which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.	1,053,801	General Funds
371	H15	College of Charleston	Advertising/Marketing	Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region - which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.	1,889,733	General Funds
374	H15	University of Charleston	Public Service	This program seeks to increase the number of faculty that are involved in economic and cultural development throughout the state. While we appreciate this program's efforts, we believe our state colleges should focus funding on classroom instruction and find alternative ways to fund service learning projects.	84,647	General Funds
397	H17	Coastal Carolina	Advertising/Marketing	Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region - which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.	1,062,347	General Funds
425	H18	Francis Marion University	Advertising/Marketing	Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region - which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.	120,500	General Funds
428	H21	Lander University	Advertising/Marketing	Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region - which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.	92,000	General Funds

445	H24	South Carolina State University	Advertising/Marketing	Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region - which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.	1,654,082	General Funds
465	H27	USC Columbia	Advertising/Marketing	Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region - which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.	1,415,239	General Funds
473	H27	University of South Carolina	Funding Source Change - NanoCenter	While we appreciate this program's purpose of providing high-technology learning opportunities through courses, research, and outreach programs, we believe the University should seek federal funding and private endowments for department-chair positions.	855,000	General Funds
482	H29	USC Aiken	Advertising/Marketing	Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region - which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.	84,285	General Funds
502	H34	USC Upstate	Advertising/Marketing	Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region - which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.	285,617	General Funds
510	H36	USC Beaufort	Advertising/Marketing	Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region - which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.	233,120	General Funds

520	H37	USC-Lancaster	Instruction	<p>We propose phasing out four of USC's campuses over a 2-year period, as we believe that students currently attending the underutilized two-year campuses could access existing larger campuses in nearby communities. Enrollment at some of these two-year colleges is not increasing at the rate of other nearby colleges and universities. For example, USC Salkehatchie saw only 2.9 percent growth between 2006 and 2007. Located less than 25 miles away from the Allendale campus of USC Salkehatchie is Denmark Technical College, which has seen enrollment increase by 14.1 percent in a year.</p> <p>USC Lancaster is located within 30 miles of Winthrop University, two regional campuses of York Technical College, and the Pageland campus of Northeastern Technical College. Our recommendation results in cost savings in the first year of \$1,081,400.</p>	1,081,400	General Funds
520	H37	USC-Lancaster	Advertising/Marketing	<p>Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region - which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.</p>	76,815	General Funds
529	H38	USC-Salkehatchie	Advertising/Marketing	<p>Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region - which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.</p>	72,815	General Funds
529	H38	USC-Salkehatchie	Instruction	<p>We propose phasing out four of USC's campuses over a 2-year period, as we believe that students currently attending the underutilized two-year campuses could access existing larger campuses in nearby communities. Enrollment at some of these two-year colleges is not increasing at the rate of other nearby colleges and universities. For example, USC Salkehatchie saw only 2.9 percent growth between 2006 and 2007. Located less than 25 miles away from the Allendale campus of USC Salkehatchie is Denmark Technical College, which has seen enrollment increase by 14.1 percent in a year.</p> <p>While the program has merit, we believe that a program that is designed for middle and high schools students should be funded by the local school districts that choose to participate in the program.</p>	872,756	General Funds
537	H38	USC-Salkehatchie	Pass Through Savings - Leadership Center	<p>Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region - which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.</p>	100,460	General Funds
539	H39	USC Sumter	Advertising/Marketing	<p>Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region - which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.</p>	108,631	General Funds



550	H40	USC - Union	Advertising/Marketing	Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region - which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.	24,538	General Funds
547	H40	USC - Union	Instruction	We propose phasing out four of USC's campuses over a 2-year period, as we believe that students currently attending the underutilized two-year campuses could access existing larger campuses in nearby communities. Enrollment at some of these two-year colleges is not increasing at the rate of other nearby colleges and universities. USC Union served fewer than 400 students in 2007 and 2008. It is located within 25 miles of Limestone College, Spartanburg Community College and USC Upstate.	417,501	General Funds
556	H47	Winthrop University	Advertising/Marketing	Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region - which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.	450,000	General Funds
573	H51	MUSC	Advertising/Marketing	Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region - which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.	851,115	General Funds
649	H59	Board for Technical & Comprehensive Education	Trident Tech-Culinary Arts	Suspend funding for this program, because it was added by the General Assembly without appropriate program review. This is an example of our higher education governance structure's failings.	663,400	General Funds
	H59	Board for Technical & Comprehensive Education	Administration - Establishing Three Regions	Savings associated with establishing three regions with consolidated administrative functions.	22,681,268	General Funds
865	H79	Consolidating Cultural Agencies - Archives & History	Administration	The Museum and the Department of Archives and History have discussed sharing Human Resource functions. We would like to see this discussion turn into action. By consolidating administrative functions, we will reduce each agency's state administration costs by 18%. We believe that consolidating administration functions will not compromise the mission of our cultural agencies.	198,858	General Funds
867	H87	Consolidating Cultural Agencies - State Library	Administration	The State Library, Arts Commission, State Museum, and Department of Archives and History have discussed sharing Human Resource functions, and we would like to see this discussion turn into action. By consolidating administrative functions, we will reduce each agency's state administration funds by 18%. We believe that consolidating administration functions will not compromise the mission of our cultural agencies.	114,151	General Funds

877	H91	Arts Commission	Community Arts Development	This activity supports grants, technical assistance, and partnerships to more than 35 counties that have local arts offices. In lean budget years, we recommend reducing pass-through funding by 15% to the county arts agencies, and we encourage these offices to seek other sources of funding, such as private donations, federal funds, or other grants.	185,624	General Funds
879	H91	Arts Commission	Pass Through Savings - Contributions to Spoleto USA and Penn Center	These pass-through funds support efforts of the Spoleto Festival USA and Penn Center. Consistent with our efforts to eliminate all pass-through funds, we recommend eliminating this line item. Spoleto receives corporate sponsorships, and both activities should seek additional sponsorships or other funding to sustain their programs.	129,943	General Funds
880	H91	Consolidating Cultural Agencies - Arts Commission	Administration	Consolidating State Library, Museum, Arts Commission, and Archives to one entity will reduce administration costs for each agency by 18% each.	202,893	General Funds
886	H95	Consolidating Cultural Agencies - State Museum	Administration	Consolidating State Library, Museum, Arts Commission, and Archives to one entity will reduce administration costs for each agency by 18% each.	114,438	General Funds
1565	H51	Medical University of South Carolina	Pass Through Savings, Part 1A - Rural Dentist Incentive	This is a pass-through from MUSC to the Area Health Education Consortium (AHEC). This program, requested by neither MUSC nor AHEC, seeks to provide funding to increase the number of dentists serving rural populations. A challenge exists in attracting dentists to practice in the state's rural areas, but this money amounts to a little more than \$5,000 per county. This is not enough to drive the location-decisions of a young student leaving dental school. In a tight budget year, we recommend eliminating funding for this activity.	250,000	General Funds
1690	H03	Commission on Higher Education	Education and Economic Development (EEDA) funding for CHE and Institutions	This funding pays for a national consultant and a computerized course-articulation system to ensure students have a smooth transition between high school and college. The course-articulation efforts are worthwhile, but our state cannot afford consultant fees at a time when all resources need to be focused in the classroom. Eliminating the funding for the consultant results in \$490,047 in savings. Additionally, a portion of this funding supports one FTE at the Commission on Higher Education to oversee an online database to help college students and adults identify employment opportunities. While this program works towards a worthy objective, it duplicates Employment Security Commission and Department of Commerce programs. Additionally, this database will be online in 2009, and therefore, this staff position will no longer be needed in FY 2009-10.	534,047	General Funds
1736	H95	State Museum	Pass Through Savings - Hall of Fame (Redirected from PRT)	In remaining consistent in our efforts to eliminate pass-through funding, we recommend eliminating this is pass-through to the Myrtle Beach Chamber of Commerce to support the S.C. Hall of Fame. While it is important to recognize the accomplishments of inductees into the Hall of Fame, we should focus state funding in lean budget years on critical areas such as education, public safety and healthcare. The Myrtle Beach Chamber should seek corporate sponsorship or private funding to support this program.	21,750	General Funds
Multiple Activities		Statewide	OM Maintenance	Reduce Operating and Maintenance by 3.0% for those colleges/tech schools within a 25 mile radius of one other. This savings is based on the centralization of facilities management that will afford a reduction in overhead.	7,635,592	General Funds
Multiple Activities		Statewide	Administration	Implement Administration standards for Four-Year institutions & Tech Schools during a two-year phase in (see separate spreadsheet).	1,919,678	General Funds
	H09	Citadel	Administration - 15% Reduction	Reduce administrative costs by consolidating administrative functions with nearby institutions.	1,340,775	General Funds
	H15	College of Charleston	Administration - 15% Reduction	Reduce administrative costs by consolidating administrative functions with nearby institutions.	2,469,273	General Funds

H17	Coastal Carolina	Administration - 15% Reduction	Reduce administrative costs by consolidating administrative functions with nearby institutions.	2,060,558	General Funds
H18	Francis Marion University	Administration - 15% Reduction	Reduce administrative costs by consolidating administrative functions with nearby institutions.	750,431	General Funds
H21	Lander University	Administration - 15% Reduction	Reduce administrative costs by consolidating administrative functions with nearby institutions.	504,437	General Funds
H24	South Carolina State University	Administration - 15% Reduction	Reduce administrative costs by consolidating administrative functions with nearby institutions.	841,069	General Funds
H47	Winthrop University	Administration - 15% Reduction	Reduce administrative costs by consolidating administrative functions with nearby institutions.	894,449	General Funds
H03	Commission on Higher Education	Academic Program Review	The Commission on Higher Education conducted a Program Productivity Study in July 2004 that resulted in a number of degree programs being terminated for lack of participation or demand. Offering degree programs with only a few participating students—especially when students can obtain these degrees at other colleges in the state—is an inefficient use of resources. We can realize cost savings by eliminating several under-utilized degree programs.	241,282	General Funds
H27	University of South Carolina	Program Restructuring	We propose consolidating the Institute for Archeology and Anthropology—currently residing at USC-Columbia—into the Department of Archives and History (DAH). This function could be easily absorbed and housed at DAH as there is adequate physical space and the Institute is consistent with the overall mission of cultural preservation of DAH. Most of our neighboring states house their Archeology programs at their equivalent of our Department of Archives and History.	496,812	General Funds
H12	Clemson	Collaboration and Cooperation	We recommend reducing administrative costs at our three research institutions by one percent and encourage these three universities to collaborate on ways to share programs or offer services with reduced funding. We selected these three research institutions because we believe these universities are able to apply for federal research grants and they each receive funding for endowed chairs. In lean budget years—when Clemson is furloughing employees—we must reduce administrative overhead and direct funding to the classrooms.	907,726	General Funds
H27	University of South Carolina	Collaboration and Cooperation	We recommend reducing administrative costs at our three research institutions by one percent and encourage these three universities to collaborate on ways to share programs or offer services with reduced funding. We selected these three research institutions because we believe these universities are able to apply for federal research grants and they each receive funding for endowed chairs. In lean budget years—when Clemson is furloughing employees—we must reduce administrative overhead and direct funding to the classrooms.	1,468,591	General Funds
H51	Medical University of South Carolina	Collaboration and Cooperation	We recommend reducing administrative costs at our three research institutions by one percent and encourage these three universities to collaborate on ways to share programs or offer services with reduced funding. We selected these three research institutions because we believe these universities are able to apply for federal research grants and they each receive funding for endowed chairs. In lean budget years—when Clemson is furloughing employees—we must reduce administrative overhead and direct funding to the classrooms.	802,358	General Funds
<b>Cost Savings Subtotal</b>				<b>64,225,071</b>	
<b>MAKING TOUGH CHOICES BELOW THE LINE SAVINGS</b>					

280	H03	Commission on Higher Education	S.C. Alliance for Minority Participation	This Higher Education Commission program is designed to increase the number of S.C. minorities pursuing doctoral degrees in science, technology, engineering, and math. We recommend continuing to fund the program at the current level, but we recommend shifting the funding source to lottery funds currently designated to go to historically black colleges. Activity was ranked a low priority by the budget results team.	272,414	General Funds
290	H03	Commission on Higher Education	Arts Program Tuition Assistance	Eliminate unnecessary funding for students attending the NC School of the Arts as we have established the SC Governor's School for the Arts in Greenville.	8,933	General Funds
295	H03	Commission on Higher Education	Cutting Edge	In the past, "Cutting Edge" funded several academic programs. Due to funding cuts, all programs other than research have been eliminated. The remaining funds support research by the Commission on Higher Education on institutional effectiveness, planning, and assessment research, which is already conducted by higher education institutions in the process of renewing accreditation. Since the only remaining activity in this funding is duplicative of other activities, we recommend eliminating this funding. Activity was ranked a low priority by the budget results team.	125,812	General Funds
299	H03	Commission on Higher Education	Higher Education Assistance	The Higher Education Awareness Program (HEAP) provides grants to middle schools for college awareness materials. We recommend eliminating this program because HEAP duplicates career and postsecondary awareness efforts of the Education and Economic Development Act. Additionally, students can find out about college opportunities for free on the S.C. Commission on Higher Education's web site at <a href="http://www.chc.sc.gov">www.chc.sc.gov</a> and through the U.S. Department of Education's web site at <a href="http://www.college.gov">www.college.gov</a> . Activity was ranked a low priority by the budget results team.	222,403	General Funds
301	H03	Commission on Higher Education	African American Loan Program	The Higher Education Commission's program recruits black teachers to S.C. State University and Benedict College. We recognize this program's importance, but the current budgetary issues require us to limit this program to its current commitments. We recommend that enrollment in this program be capped at the 20 students currently enrolled in the program and be funded from lottery money currently directed to historically black colleges. Activity was ranked a low priority by the budget results team.	176,394	General Funds
1547	H03	Commission on Higher Education	National Foundation of Teaching Entrepreneurship (NFTE)	In a tight budget year resources should be focused on the CHE's core mission. Private sector support should be sought for this activity.	208,752	General Funds
282	H03	Commission on Higher Education	The University Center of Greenville	The University Center of Greenville is a consortium of public and private colleges and universities offering degree programs to the citizens of the Upstate and surrounding areas. We believe the 7 institutions (1 of which is private) that comprise the Center can coordinate adequately to support this program from their existing funds without additional state revenue.	98,795	General Funds
447	H24	S.C. State University	Public Service	S.C. State University offers free courses to the community on small business development. We realize that public service is one of the top missions of public institutions, but in a tight budget year, we believe our state colleges cannot afford to offer educational classes free-of-charge. Additionally, this program is duplicative of the S.C. Department of Commerce's efforts to assist small businesses through the Small Business Ombudsman Office and the Business One Stop, which offer free online information for prospective business owners. We recommend eliminating the program, as the college may be able to offer this class under the 1890 Research & Extension program, which receives federal funds. Activity was ranked a low priority by the budget results team.	169,781	General Funds

472	H27	USC Columbia	African American Professors Program	The University of South Carolina provides tuition assistance to black students in the Ph.D program at USC's School of Education that are seeking to become professors. This program duplicates the SREB Doctoral Scholars Program and the S.C. Alliance for Minority Participation. We believe it is important to support educating more minority professors, but we recommend not funding this activity from general funds. Currently, there are 17 students receiving scholarships through this program. We recommend keeping our commitments to these students. We also recommend that enrollment in this program be capped and funded from lottery money currently directed to historically black colleges. Activity was ranked a low priority by the budget results team.	178,805	General Funds
640	H59	State Tech Board	Auxiliary Enterprises	These funds support a portion of the salaries for bookstore managers at several of the state's technical colleges. Because the stores generate \$32 million in revenue annually, we believe managers' salaries should be paid from the bookstore's profits. Activity was ranked a low priority by the budget results team.	188,415	General Funds
668	H59	State Tech Board	Community Service Programs	This program offers non-credit courses to community members at all 16 technical colleges. Participants pay for the courses, which are day-long community-focused seminars. General funds are used to pay a portion of the instructors' salaries. Because the program can be sustained by the \$3 million it generates annually, we recommended eliminating state funding for this program. Activity was ranked a low priority by the budget results team.	752,752	General Funds
878	H91	Arts Commission	Artist Development	We recommend soliciting funding through the private sector or provide a collaborative effort among participating venues and arts supporters.	155,420	General Funds
862	H79	Archives and History	National History Day Program	We recommend diverting funding for more effective statewide educational tools in this tight budget year.	56,829	General Funds
1546	H03	Commission on Higher Ed	Think Tec/Fastrac	This pass-through funds a 10-week course that teaches potential entrepreneurs how to start and grow a business. While this program has worthy intentions, we believe this program is duplicative of the S.C. Department of Commerce's efforts to assist small businesses, such as the Small Business Ombudsman Office and the Business One Stop internet service, which offer free online information for prospective business owners. This activity was ranked low by our budget results team.	208,752	General Funds
1548	H12	Clemson University (E&G)	COMSET	The Center for Optical Materials Science and Engineering Technology conducts research in optical materials such as polymers, glass, and crystals. The program is housed in a new \$21 million facility with a \$10 million endowed chair, and has received \$13 million in research funding since its founding in 2000. The taxpayers of South Carolina have provided sufficient funding for this program, and we recommend eliminating funding for this activity.	395,865	General Funds
1558	H27	University of South Carolina-Columbia	Instruction: Graduate School, and University 101	Funding for this program supports several graduate faculty positions and the University 101 program, which helps freshman get acclimated to college life. Since many freshman do not take this non-mandatory course, we believe USC should fund this program out of its general budget. No other college receives a special line item to fund a University 101 course, and we do not believe USC should be treated differently.	632,198	General Funds
1691	H12	Clemson University (E&G)	CU ICAR	This funding supports operations at the Campbell Graduate Engineering Center. We have supported ICAR's efforts in the past and continue to do so today. The South Carolina Department of Commerce has given \$61 million to ICAR's efforts, and the graduate center also receives \$2 million in grants and contracts. In this tight budget year, we believe ICAR's public/private partnership will allow the center to be self-supporting.	1,000,000	General Funds

1692	H12	Clemson University	Call Me Mister	This program, added in the last 4 years, seeks to address the shortage of African American male teachers in elementary schools around the state. While we appreciate this program's purpose, in a tight budget year we recommend eliminating this funding.	500,000	General Funds
1710	H59	Technical & Comprehensive Education	Florence-Darlington-SIMT	This program, created in the last 4 years, was originally intended to equip the new Southeastern Institute of Manufacturing and Technology (SIMT) with state-of-the-art technologies. SIMT charges companies a fee in return for manufacturer training and support. This year, the program will bring in an estimated \$450,000, and will ultimately be self-sustaining. The success of this public-private partnership should cover future equipment costs and make funding unnecessary in FY 2009-10.	1,284,000	General Funds
1798	H03	Commission on Higher Education	Charleston Transition College Connection	This program funds a nonprofit corporation committed to helping students with significant mental disabilities transition from school to the workforce. Higher education currently receives 19% of the total state budget, ranking second in the Southeast in such spending. Nationwide, only six states dedicate a greater percentage of their state budget to higher education than South Carolina. This type of proviso may, once again, ultimately lead to increasing the tuition burden on students. If the Commission on Higher Education believes that this program has merit, then it should fund the program out of CHE's existing budget.	250,503	General Funds
1803	H18	Francis Marion University	Accreditation and Program Enhancement Project	This project would fit better under a more centralized higher education board instead of piecemeal implementation. The current fragmented system at each individual school only allows tuitions to increase more easily. Our higher education system already receives 19% of the total state budget, ranking second in the Southeast in such spending. Nationwide, only six states dedicate a greater percentage of their state budget to higher education than South Carolina. If Francis Marion University believes that this program has merit, then it should be funded out of their existing budget.	336,973	General Funds
1825	H59	Technical & Comprehensive Education	Apprenticeship	This new activity, added in the last 4 years, supports business-led initiatives for a statewide registered-apprenticeship process. The Tech College system last year created a statewide registered-apprenticeship program. Agencies inform us that program funding can be reduced by \$363,294 without impacting their ability to accomplish the program's mission. We recommend reducing funding for personnel, overhead, and travel costs.	363,294	General Funds
1907	H87	State Library	Public Library Summer Reading Program	This new activity, added in the last 4 years, provides funding for the coordination of 45 state summer reading programs--mainly printing costs. We recommend providing application forms on the Internet, and allowing applicants to print forms either at home or at a library.	16,649	General Funds
				<b>Below the Line Savings Subtotal</b>	<b>7,603,739</b>	
				<b>TOTAL GOAL AREA SAVINGS</b>	<b>71,828,810</b>	

Improve the Conditions for Economic Growth					
Activity Number	Agency Name	Activity Name	Rationale	Savings Amount	Source
<b>SAVINGS PROPOSALS</b>					
239	F03 Budget and Control Board	Local Government Infrastructure Grants	Combine with Rural Infrastructure Fund within Department of Commerce. After reviewing this program, we believe the program could reduce the number of full time employees from eight to four without significantly impairing this program's success. Our recommendation reduces the necessary amount of general funding to half the current level.	133,472	General Funds
1215	P16 Department of Agriculture	Consumer Services - Petroleum Inspection & Testing Program	We recommend supporting this program from \$1.3 million of the gasoline tax pursuant to Code 12-28-2355, which states, "for the purpose of providing funds for inspecting, testing, and analyzing petroleum products and for general state purposes, there must be paid to the department a charge of one-fourth cent a gallon ...". For further explanation, please see text.	390,606	General Funds
1296	P28 PRT	Film Office	The film office has typically been staffed by 6 employees. However, the agency informs us that the office is running effectively with 4 staff members. We recommend cutting funding for the vacant positions, resulting in cost savings of \$198,978.	198,978	General Funds
1307	P32 Department of Commerce	Pass Through Funds - Contributions	This program is pass-through funding provided for public private partnerships as directed from the appropriations act. We recommend eliminating this funding because, like other pass-throughs, the agency has no control over how the funds are spent.	275,000	General Funds
1353	R28 Department of Consumer Affairs	Administration	Consumer Affairs's budget has increased by 16 percent, or \$652,885, over the last two years. There is no reason why this program cannot be funded from the agency's recently-increased budget.	19,659	General Funds
1351	R28 Department of Consumer Affairs	Advocacy Division	Consumer Affairs's budget has increased by 16 percent, or \$652,885, over the last two years. There is no reason why this program cannot be funded from the agency's recently-increased budget.	35,414	General Funds
1274	P28 PRT	Advertising-Media Placement of Production	The agency recommends cutting the budget for print advertisements in certain markets. PRT will continue to advertise in areas where PRT's advertisements generate a reasonable return on the advertising's investment.	314,920	General Funds
1274	P28 PRT	Advertising-Tourism Partnership Fund	We agree with the agency's recommendation to eliminate funding for this program. This program partners with local organizations to fund destination-specific marketing, and supports grants to smaller tourism groups and local festivals. We believe the businesses that benefit from this advertising should bear these advertisings costs.	734,814	General Funds
1270	P28 PRT	State Park Service-Personal Services (RIF)	We support the agency's recommendation to reduce the number of field operations employees by 6. This proposal reduces the number of employees at the Mansion and Statehouse Gift Shops--both of which lose money annually.	182,786	General Funds
1277	P28 PRT	Tourism Sales & Marketing	The agency requests flexibility from a proviso in the Rescission Bill that restricts their ability to adjust funding for the Santee Welcome Center. During tough budget times, PRT should have flexibility to reduce costs as it sees fit. Of the three welcome centers along I-95, the Santee Welcome Center receives the fewest visitors and books the fewest accommodation reservations annually.	185,716	General Funds
1399	R36 Department of Labor, Licensing and Regulation	Administration	We support the agency's recommendation to reduce the funding for administrative duties because the agency can effectively administer its various programs at a lower overall cost.	108,555	General Funds

1356	R36	Department of Labor, Licensing and Regulation	Mediation	We agree with the agency's recommendation to eliminate this funding. This funding pays the salary for a mediator within the Division of Labor. The agency believes that through internal restructuring, and expanding the position's responsibilities, the agency can fund this position with other revenue. We expect cost savings of \$77,950.	77,950	General Funds
				<b>Cost Savings Subtotal</b>	<b>2,657,870</b>	
<b>MAKING TOUGH CHOICES - BELOW THE LINE SAVINGS</b>						
241	F03	State Budget and Control Board	Community Development Block Grants	This line item is a pass through to the Jobs Economic Development Authority, which provides loans, bonds, and other services to small and mid-sized businesses. However, the Department of Commerce, the South Carolina agency whose core function is economic development, has a long track record of successfully helping create and expand small and mid-sized businesses. Commerce provides numerous services, including business plans, access to start-up resources, alternative financing, and resource guides. We continue to recommend the consolidation of all economic development programs under the Department of Commerce. Additionally, this program is duplicative of the US Small Business Administration Loan Program. Activity was ranked a low priority by the budget results team.	18,279	General Funds
648	H59	State Tech Board	Florence - Darlington Entrepreneurial Operations Equipment	The Technical & Comprehensive Education Board originally requested these funds to buy new equipment for the Southeastern Institute of Manufacturing Technology. The SIMT is now up and running. We support SIMT's mission because it will spur economic development in the Pee Dee, but we believe the SIMT's success as a public-private partnership will cover future equipment costs. Because the SIMT expects to generate \$450,000 in FY 2008-09 to balance its budget, and expects to generate a profit in FY 2009-10, we recommend eliminating state funding from this self-sustaining program. Activity was ranked a low priority by the budget results team.	428,000	General Funds
1216	P16	Department of Agriculture	Marketing and Promotions	Through the S.C. Grown marketing campaign, the agency seeks to bring attention to agricultural products grown, processed, or manufactured in this state. In a tight budget year we recommend eliminating this funding because we do not believe this level of marketing funding will have a significant enough impact to justify not diverting it toward more core government functions.	2,394,126	General Funds
1224	P21	S C State PSA	Community Leadership and Economic Development	S.C. State University's public service activity program provides leadership development and economic development programs in financially disadvantaged communities. While we recognize the laudable goals of this program, economic development does not fit within the core mission of S.C. State PSA: agrisystems productivity and profitability. As we recommended in our FY 08-09 Executive Budget, all rural and community economic development programs should be consolidated under the Department of Commerce, which already successfully conducts these activities. Activity was ranked a low priority by the budget results team.	502,497	General Funds
1281	P28	Parks, Recreation and Tourism	Regional Promotions	This program passes revenue through PRT to fund regional tourism promotions. Because PRT does not have flexibility in allocating these funds, and regional tourism districts have alternative revenue streams in the form of local grants and funding, we support the agency's recommendation to eliminate this program. Activity was ranked a low priority by the budget results team.	1,375,000	General Funds



1377	R36	Labor Licensing and Regulation	Board of Pyrotechnic Safety	The Board of Pyrotechnic Safety conducts routine audits and inspections. According to the State Fire Marshal's Office, the State Fire and Life Safety program can absorb these functions. LLR recommends this transfer of responsibility and we agree. Activity was ranked a low priority by the budget results team.	66,599	General Funds
1432	R60	Employment Security Commission	SC Occupational Information	The S.C. Occupational Information System is a worthwhile system, but already receives \$385,600 from the EEDA. Additionally, other career information systems are available, such as Kuder. The Kuder career information system is available for use in One-Stop Employment Offices. Kuder 4 Adults will be ready to use by June 2009. More school districts prefer the Kuder system to SCOIS. Activity was ranked a low priority by the budget results team.	665,990	General Funds
1484	P20	Clemson PSA	Rural Community Leadership Development	We recommend suspending this activity because it is outside Clemson PSA's core mission, and because the program's goal is duplicative of services provided through the South Carolina Department of Commerce. Additionally, the results team did not rank this program as a priority.	347,475	General Funds
1495	P20	Clemson PSA	Agricultural Biotechnology	Clemson PSA collaborates with SC Bioengineering Alliance and the Department of Commerce to attract biotech companies to the state and assist in new company start ups. While we have advocated funding this activity in the past, the Department of Commerce is currently equipped to carry out these functions without additional funding in this tight budget year. Activity was ranked a low priority by the budget results team.	3,088,025	General Funds
1502	P20	Clemson PSA	Rural Community Economic Development	With this program, Clemson PSA seeks to enhance economic development in rural areas through workforce analysis, business development strategies, policy formation, surveys to enhance workforce preparedness, and business retention efforts. Economic development falls outside of what we consider to be Clemson PSA's core mission: agrisystems productivity and profitability. This rural development program duplicates services already provided by the Department of Commerce's Community and Rural Development program and Grants and Incentives program. Activity was ranked a low priority by the budget results team.	992,886	General Funds
1559	H27	University of South Carolina-Columbia	Hydrogen Fuel Cell Research	While we have supported this hydrogen research funding in the past, we believe that public money put toward such research efforts should be matched with significant private investment. Unfortunately, to date we have not seen this program draw down a lot of private investment. Given that this is a tight budget year, we recommend eliminating funding for this activity. Additionally, this activity was ranked low by the results team.	855,000	General Funds
1703	H27	University of South Carolina-Columbia	Technology Incubator	This program at USC leases space to companies in the Technology Incubator to conduct research and start businesses. This program is a part of Innovista, which receives substantial private-sector support. Additionally, the Incubator receives funding from Richland and Lexington counties, three different colleges, and millions in private grants. We believe that this program can be sustained without these general funds.	171,000	General Funds



Improve the Health and Protections of Our Children and Adults					
Activity Number	Agency Name	Activity Name	Rationale	Savings Amount	Source
<b>SAVINGS PROPOSALS</b>					
609	H53 Consortium of Community Teaching Hospitals	Instruction-Graduate Doctor Education Residency Training Programs (excluding Family Medicine Residency Training Programs)	We support the agency's recommendation to eliminate this program. This program falls outside the Consortium's core mission, which is to recruit primary care physicians. In this residency training program, the physicians are more likely to become "specialists" instead of primary care physicians.	3,000,000	General Funds
1033	J16 Department of Disabilities and Special Needs	Administration	Adjust for administrative savings from restructuring. For further information, see text.	2,259,107	General Funds
1645	D17 Continuum of Care (Governor's Office - OEPP)	Procurement Services	Adjust for administrative savings from restructuring. For further information, see text.	152,315	General Funds
1006	J12 Department of Mental Health	Inpatient Alcohol & Drug	We support the agency's recommendation to eliminate this funding. Although the agency will continue to fill hospital beds when patients are released from treatment, the number of in-patient beds at Morris Village (Alcohol & Drug Treatment facility) will be reduced by 20, and by 22 at Harris Psychiatric Hospital.	2,500,000	General Funds
1010	J12 Department of Mental Health	Administration	Adjust for administrative savings from restructuring. For further information, see text.	6,874,703	General Funds
1010	J12 Dept of Mental Health	Administration	We support the agency's recommendation to reduce the operating budgets for administrative and support services. This proposal includes eliminating eight positions, eliminating overtime, and canceling and re-bidding garbage services contracts.	750,000	General Funds
949	J04 Department of Health and Environmental Control - Health	Administration	Adjust for administrative savings from restructuring. For further information, see text.	5,672,714	General Funds
949	J04 Department of Health and Environmental Control	Administration	Adjust for administrative savings from consolidating regional offices and reduction in force.	1,000,000	General Funds
1027	J16 Dept of Disabilities and Special Needs	Mental Retardation - Community Training Homes	We agree with the agency's recommendation to increase the staff's service coordination workload, which will result in 78 positions being eliminated, and cost savings of \$2,48,800.	2,248,800	General Funds
1032	J16 Dept of Disabilities and Special Needs	Regional Centers - Intermediate Care Facility/Mental Retardation (ICF/MR)	We support the agency's recommendation to convert as many of the 130 State funded Day Program slots to Medicaid as possible and eliminate those that are not able to convert. This recommendation eliminates funding for additional residential beds, and eliminates funding for Crisis Prevention Supports to families.	1,244,410	General Funds
1037	J20 Department of Alcohol and Other Drug Abuse Services	Chemical Dependency Community-Based Treatment Services	The recommendation reduces the state Medicaid match fund for 33 substance abuse therapy providers, but providers will continue to bill Medicaid directly. We agree with the agency's recommendation because this reduction will not impact direct services to clients.	633,000	General Funds
1040	J20 Department of Alcohol and Other Drug Abuse Services	Administration	Adjust for administrative savings from restructuring. For further information, see text.	446,280	General Funds

1021	J16	Department of Disabilities and Special Needs	Service Coordination	Provide funding specific to agency needs and mission. Service coordination is typically provided to individuals who are being served through multiple agencies. According to DDSN, the majority of DDSN's clients are only served through that agency. Therefore, service coordination is less of a high priority for this population relative to funding specifically for direct services.	307,957	General Funds
838	H73	Vocational Rehabilitation	Administrative Savings	Merge the Vocational Rehabilitation Department and the Commission for the Blind to realize efficiencies and lower costs without adversely affecting the quality of service provided by both agencies, as recommended by a 2002 LAC report. Both agencies agree that they have similar primary missions and that a merger of administrative functions is appropriate. For further explanation, please see text.	456,805	General Funds
1109	L04	Department of Social Services	Contract / Pass Through Funds	The agency recommends cutting this pass-through, and we agree. In 2008, we vetoed this proviso because it created the illusion of a competitive process, which in reality would likely steer money to two nonprofits, Heritage Community Services and Campaign to Prevent Teen Pregnancy. As we have stated in the past, we do not believe government should pick winners and losers among non-profit organizations. Activity was ranked a low priority by the budget results team.	1,200,000	General Funds
1133	L24	Commission for the Blind	Administrative Savings	Merge the Vocational Rehabilitation Department and the Commission for the Blind to realize efficiencies and lower costs without adversely affecting the quality of service provided by both agencies as recommended by a 2002 LAC report. Both agencies agree that they have similar primary missions and that a merger of administrative functions is appropriate. For further explanation, please see text.	198,021	General Funds
109	E04	Lieutenant Governor's Office	Local Provider Salary Supplement	Divert salary supplements to non-state aging employees to the Long Term Ombudsman. This funding provides salary supplements to non-state employees working for the local aging service providers.	57,112	General Funds
	J12	Department of Mental Health	Collections	Increase Rate of Collections by 10% per LAC Report recommendations. This can be done by verifying income for reduced fee patients, using Setoff Debt and GEAR programs, and having community mental health centers utilize the lien process against estates like DMH headquarters does.	840,000	General Funds
	J04	Department of Health and Environmental Control	Collections	Increase Rate of Collections by 10% per LAC Report recommendations. This can be done by verifying income for reduced fee patients, implementing a uniform billing and collection policy for health districts, and participating in the Department of Revenue's programs for debt collection in health service programs.	180,000	General Funds
1154	L46	Commission on Minority Affairs	Administration (Overhead Cost)	Duplication of services already performed by Department of Social Services, Employment Security Commission and Department of Education. Current system is complimented with assistance by several non-profit organizations.	100,934	General Funds
1126	L24	Commission for the Blind	Vocational Rehabilitation Services	Transfer of Training to newly established S.C. Center of the Blind. This same training program can be done for a reduced cost outside of the public sector.	150,000	General Funds
1841	J02	Department of Health and Human Services	Children's Health Insurance Program	The agency recommends, and we agree, that the number of enrollees in the SCHIP program should be capped at current levels. Due to a lack of funds, and with more than 40 percent of the children in our state receiving Medicaid benefits, we recommend an enrollment cap for the expanded SCHIP program starting July 1, 2009. An enrollment cap would allow the agency to establish a certain number of eligibility slots for children: when some children leave the program, new children are enrolled to take their place.	14,275,806	General Funds

1923	J16	Department of Disabilities and Special Needs	Waiver Services	The agency recommends reducing the waiting list waiver slots serving several populations. We support this recommendation because none of the 50 waiting list slots are autism-related and current recipients of services will not be impacted.	397,914	General Funds
					<b>44,945,878</b>	
				<b>Cost Savings Subtotal</b>		
<b>MAKING TOUGH CHOICES - BELOW THE LINE SAVINGS</b>						
268	F03	State Budget and Control Board	Southern Maritime	This line item funds the property insurance for the Southern Maritime Collection, which is housed at the Hunley Commission. While we recognize the importance of the Hunley and related historical artifacts, the taxpayers of South Carolina have provided enormous amounts of money for this endeavor. We strongly encourage the Hunley Commission to sustain its costs through private donations or ticket sales. Activity was ranked a low priority by the budget results team.	5,000	General Funds
596	H53	Area Health Education Consortium	Health Careers Program	Formerly known as Student Development and Diversity Program. This is a well-intended program to get more students interested in health professions, but less of a core government function relative to other health services.	292,852	General Funds
602	H53	AHEC	Recruitment - Nursing Recruitment Center	The agency recommends cutting this activity, and we agree. The Nursing Recruitment Center was originally initiated to address the shortage of nursing professionals. However, some of this money has been used to sponsor a conference. These funds are not large enough to make a difference in recruiting, and we cannot afford to spend our limited dollars on conferences. Activity was ranked a low priority by the budget results team.	37,955	General Funds
924	J02	Health & Human Services	Family Planning Services Administration	Medicaid Adolescent Pregnancy Prevention Services (MAPPS) is available to all at-risk Medicaid youths, through community or school-based programs that have contracts with HHS. Currently, there are 30 MAPPS providers throughout South Carolina, with an average allocation of a little more than \$3,300 per provider. However, the agency recommends eliminating this pass through, as there is no control over how this money is spent. We agree with the agency's assessment and further reiterate that government should not choose winners and losers among non-profits. Activity was ranked a low priority by the budget results team.	100,317	General Funds
969	J04	Health and Environmental Control	Palmetto Aids Life Support	This line item is a pass-through appropriation to Palmetto AIDS Life Support. DHEC recommends cutting the funding for this program, and we agree. Unfortunately, the state provides no direction on how these funds are to be used--and there is no accountability after they are spent. Furthermore, South Carolina currently receives more than \$47 million dollars annually from the federal programs (Ryan White Program, Centers for Disease Control and Prevention, Office of Minority Health) and \$5 million from other state sources to combat AIDS. Activity was ranked a low priority by the budget results team.	43,500	General Funds
1016	J16	Dept of Disabilities and Special Needs	Other Family Support - Summer Services	The agency recommends cutting this activity and we agree. Summer Services provides specialized recreational opportunities for individuals with disabilities and provides caregivers a much-needed break during the day. However, during these tough economic times, we believe that we must prioritize protecting those individuals who are most vulnerable by funding other residential and day support services.	364,870	General Funds
1153	L46	Minority Affairs	Research	The purpose of this division at the Minority Affairs Commission is to conduct research of minority populations. However, this activity duplicates services currently provided by the SC Office of Research and Statistics. Activity was ranked a low priority by the budget results team.	117,231	General Funds

1222	P21	S C State PSA	Nutrition, Education, Diet and Health	S.C. State University's public service activity program provides low-income families with nutrition education that promotes healthy living and allows the opportunity to assess and deter obesity. Our administration has been very vocal in support for health and exercise programs and recognizes the important service provided by this program. However, we recommend eliminating this program because it duplicates DHEC's obesity awareness campaign (SCOPE), which fosters statewide efforts to promote healthy lifestyles. Activity was ranked a low priority by the budget results team.	270,362	General Funds
1535	E04	Lieutenant Governor	State Level Activity Geriatric Physician Program	This program funds loan forgiveness for doctors who agree to practice geriatrics in South Carolina for at least 5 years. While we believe this is a worthy goal, and recognize S.C. is the only state to give this type of incentive, we recommend that the program seek alternate funding. For example, the American Geriatric Society supports the National Health Service Corps Loan Repayment Program, which recruits health professionals to provide primary health services in areas that lack adequate medical care. In return, the Federal Government offers to forgive the doctors' student loans. Additionally, this activity was ranked low by the results team.	105,000	General Funds
1560	H27	University of South Carolina - Columbia Campus	Palmetto Poison Control Initiative	The Palmetto Poison Center (PPC) serves as the regional poison control center. The PPC is housed at the U.S.C. College of Pharmacy, which provides free services to the public and health professionals. Although this is a worthwhile program, it should be run by one of the state's health agencies, not a state university. We recommend that this program be housed at DHEC, the state's health regulatory agency, and funded through its general appropriations.	200,000	General Funds
1567	H53	Consortium of Community Teaching Hospitals	Health Careers Program	This program, added within the last 4 years, encourages minorities to seek health-related jobs. This activity was implemented in 12 counties for a total of 86 students (average of \$1000 per student). We recommend the Consortium seek funding from hospital foundations. This activity was ranked low by the results team.	86,180	General Funds
1657	E04	Lieutenant Governor	Silver Haired Legislature	In past years, this activity was funded by private donations. In addition, they often lobby the Legislature for programs that they believes benefit our state's senior population. We issued an executive order during our first year prohibiting cabinet agencies from hiring lobbyists because we do not believe that taxpayer funds should be used to advocate for more public funds.	15,000	General Funds
1708	H53	Consortium of Community Teaching Hospitals	Infrastructure Development	This activity funds salaries for eight regional coordinators, lease payments for four regional facilities, and services to health care providers and students in all 46 counties. While this program's purpose--to encourage clinical experiences in rural and underserved community settings--is laudable, we propose eliminating this funding. We recommend that the agency combine efforts and seeking private funds. For example, in the past, the Duke Endowment has funded this activity. Additionally, this activity was ranked low by the results team.	393,974	General Funds
1814	H51	Medical University of South Carolina	Hypertension Initiative	DHEC's Bureau of Community Health and Chronic Disease Prevention is part of a network of chronic disease prevention programs aimed at improving the health of our communities across South Carolina. Additionally, SC was one of 20 states which received funding for a new five-year cycle for a Capacity Building Heart Disease and Stroke Program. This activity is a duplication of efforts considering the services already being provided.	512,741	General Funds
				<b>Below the Line Savings Subtotal</b>	<b>2,534,982</b>	
				<b>TOTAL GOAL AREA SAVINGS</b>	<b>47,480,860</b>	

Improve the Quality of our Natural Resources									
Activity Number	Agency Name	Activity Name	Rationale			Savings Amount	Source		
SAVINGS PROPOSALS									
1236	P24	Department of Natural Resources	Agency Consolidation	Adjust for administrative savings from consolidating select DHEC functions, DNR and Forestry into the newly formed Department of Environment and Natural Resources. For further information, please see text.			1,095,026	General Funds	
1237	P24	Department of Natural Resources	Provide Public Information	DNR funds public information as required by the Administrative Procedures Act, and funds news releases, publications, public speaking, and the creation of the ETV S.C. Wildlife Show. We recommend continuing funding for information required by the APA. However, in a tough budget year, we recommend eliminating funds not tied to APA mandated information, which will produce cost savings of \$167,282. Activity was ranked a low priority by the budget results team.			167,282	General Funds	
1238	P24	Department of Natural Resources	Outreach and Education Services	This program funds staff at DNR to teach about animal and wildlife conservation in state schools. In lean budget years, we should focus state funding toward core education subject areas, such as reading and math. Additionally, many privately-funded programs provide teachers and students with similar educational materials. We recommend reducing state funds to \$39,500, which will still allow DNR to qualify for \$446,000 in federal funds. Activity was ranked a low priority by the budget results team.			307,452	General Funds	
1482	P20	Clemson PSA	Horticultural Crops	We recommend deferring to the golf course industry for funding golf-related turfgrass research. The industry cites the value of this service, and should fund continued research.			145,200	General Funds	
1515	P20	Clemson PSA	Pesticide Applicator Licenses	The pesticide licensure program should be self-sufficient, as are most licensed professions under LLR. By providing license applications and license renewal online through LLR and extending renewal cycles to the maximum feasible period, this program can achieve self-sufficiency within two years. This amount represents half of the general funds appropriated for this activity.			280,345	General Funds	
1498	P20	Clemson PSA	Sustainable Forestry	Clemson PSA provides "best management" forestry programs, but the Forestry Commission already provides similar sustainable forestry programs. We recommend integrating all forestry programs under the Forestry Commission.			1,620,778	General Funds	
1503	P20	Clemson PSA	Livestock-Poultry Health Programs: Meat Inspection	This activity should be transferred to DHEC, thereby saving an estimated half of its current general fund needs.			592,443	General Funds	
1491	P20	Clemson PSA	Reducing the Impact of Animal Agriculture on the Environment	This line provides statewide research and educational programs for animal agriculture producers in an effort to reduce the environmental impact of animal waste. We believe the industries and individuals that benefit from this program should support the program through fees. We recommend phasing in a fee-based system over several years, resulting in an expected savings of \$100,000 in the first year.			100,000	General Funds	
1206	P12	Forestry Commission	Agency Consolidation	Administrative savings from consolidating select DHEC functions, DNR and Forestry into the newly formed Department of Environment and Natural Resources. For further information, please see text.			541,941	General Funds	
1192	P12	Forestry Commission	Wildland Firefighting	This activity should be decreased by \$1 million and supplemented/replaced by an increase in fees which would be assessed to private landowners in need of such services.			1,000,000	General Funds	

1480	P20	Clemson PSA	Television, Web, and Print Productions	We recommend prioritizing Clemson PSA television and print productions and coordinating outreach with the Department of Agriculture. Funding "Making it Grow" is a low priority when compared to health care, law enforcement, corrections and other critical state functions. We recommend reducing this line by 1/3, and focusing remaining funds on the delivery of information in support of Clemson PSA's core mission.	421,299	General Funds
				<b>Cost Savings Subtotal</b>	<b>6,271,766</b>	
<b>MAKING TOUGH CHOICES - BELOW THE LINE SAVINGS</b>						
993	J04	DHEC	Emergency Medical Services	This program allocates funds, through DHEC, to county and regional emergency service providers to improve and upgrade emergency medical systems. We support DHEC's recommendation to eliminate this pass-through, and we recommend service providers postpone any non-essential system improvements for one year. In lieu of general funds, counties and EMS providers may request county funds as needed. Additionally, local jurisdictions receive nearly \$49 million annually through Homeland Security Grant Programs, which could be used to replace this funding. Activity was ranked a low priority by the budget results team.	1,400,796	General Funds
1205	P12	Forestry Commission	Outreach	This program informs citizens about the state's forest resources services. Forestry commission personnel design and conduct forestry educational classes for teachers and school groups. While teaching our students about the state's natural resources is important, in tough budget times, we believe that critical needs in other budget areas take precedence over the state's contribution to this activity. Additionally, the Environmental Protection Agency awards \$2-\$3 million dollars annually in Environmental Education grants. We recommend the agency apply for this federal funding. Activity was ranked a low priority by the budget results team.	219,252	General Funds
1221	P21	SC State PSA	Sustainable Agriculture	This SC State University PSA program assists minority owners of small farms develop effective farming and management practices. While this program provides a worthy service, we believe that the USDA's Small Farms programs and grants provide owners of small farms with sufficient training and support. Additionally, the USDA Center for Minority Farmers opened in September 2004. The Center has become a one-stop help program for minority farmers, limited resource farmers, community based organizations and others. In a tough budget year, we recommend eliminating this funding. Activity was ranked a low priority by the budget results team.	1,057,295	General Funds
1479	P20	Clemson PSA	Radio Productions	We recommend reevaluating Clemson PSA strategies to ensure that Extension efforts are focused on the core agricultural constituency. Funding PSA radio productions like "Your Day" is low priority when compared to funding health care, law enforcement, corrections, and other critical state functions.	22,375	General Funds
1194	P12	Forestry Commission	Enforcement - Timber Theft and Fraud	We recommend consolidating forestry-specific law enforcement, dedicated to timber fraud and theft, with DNR law enforcement, as DNR officers are capable of performing this function.	245,757	General Funds
1198	P12	Forestry Commission	Forest Renewal Program Financial Assistance	We recommend discontinuing the Forest Management Assistance subsidy, which pays for a portion of replanting the first 100 acres of private lands. Planning services from the Forestry Commission will continue to provide significant assistance in expertise for private landowners.	200,000	General Funds



1230	P24	Natural Resources	Mariculture Aquaculture	DNR provides outreach services related to techniques for raising aquatic species in captivity. Because these services can be performed by private entities, we support DNR's recommendation that this program be eliminated. Activity was ranked a low priority by the budget results team.	611,930	General Funds
1487	P20	Clemson PSA	Natural Resources and Environmental Research and Education	This Clemson PSA program focuses on research and education programs that address the impact of land use on our state's water resources. Currently, CPSA and DHEC coordinate research and together regulate water-use. Because DHEC receives substantial funding to oversee water quality and use, we believe DHEC is presently equipped to manage our water resources without assistance from CPSA. Activity was ranked a low priority by the budget results team.	1,622,395	General Funds
1489	P20	Clemson PSA	Sustainable Agricultural Production Systems; Nutraceutical Crops	This program provides research and education programs about the health benefits of nutraceutical crops, which are crops primarily incorporated into pharmaceutical products like vitamin supplements. We believe this program should be eliminated because it duplicates similar research and education programs currently available from the United States Department of Agriculture. Currently, the USDA Agricultural Research Service Division conducts readily-available research on nutraceutical crops. Activity was ranked a low priority by the budget results team.	262,280	General Funds
1490	P20	Clemson PSA	Sustainable Agricultural Production Systems; Organic Crops	Clemson PSA conducts research and educational programs about the benefits and methods of organic farming. We recommend eliminating this funding because this program duplicates the USDA's National Organic Program and the EPA's Organic Farming Program. Activity was ranked a low priority by the budget results team.	147,076	General Funds
1514	P20	Clemson PSA	Sustainable Agricultural Productions Systems	This Clemson PSA program conducts research and educational programs for farmers. The research focuses on new technology and management systems to improve crop yield and resistance to disease and pests. This program duplicates readily-available research on agronomic crops that is conducted by the U.S. Department of Agriculture, Agricultural Research Service, Plant and Physiology and Genetics Research Division. Activity was ranked a low priority by the budget results team.	6,467,985	General Funds
				<b>Below the Line Savings Subtotal</b>	<b>12,257,141</b>	
				<b>TOTAL GOAL AREA SAVINGS</b>	<b>18,528,907</b>	

Improve the Safety of People and Property					
Activity Number	Agency Name	Activity Name	Rationale	Savings Amount	Source
<b>SAVINGS PROPOSALS</b>					
191	Adjutant General	State Guard	Crowd control training is a core function of the South Carolina National Guard and should be funded from the Adjutant General's Office general budget.	104,000	General Funds
1158	Department of Corrections	Vehicle Maintenance	We recommend shifting a portion of funding for vehicle maintenance provided by the Department of Corrections from recurring general fund sources to other fund sources. As we phased out the general fund subsidy to agencies several years ago for security services provided by the Department of Public Safety, we believe that agencies which benefit from this activity should pay the Department of Corrections for these services.	500,000	General Funds
1179	Department of Probation, Parole and Pardon Services	Core Administration	Reducing administrative costs through the consolidation of the Department of Corrections and the Department of Probation, Parole and Pardon Services will produce cost savings of \$622,126. For further explanation, please see text.	622,126	General Funds
1176	Department of Probation, Parole & Pardon Services	Statewide Emergency Operations Plan	Shift funding for Statewide Emergency Operations Plan from General Funds to Other Funds.	109,688	General Funds
1190	Department of Juvenile Justice	Parole Board	We recommend combining the parole boards at the Department of Juvenile Justice (DJJ) and the Department of Probation, Parole and Pardon Services (DPPP). The parole board at DPPP has seven members and a general fund budget of \$709,292 (including board support services). The DJJ parole board with ten members and a general fund budget of \$753,208, hears far fewer cases per year. Merging the parole boards should save around \$425,000 annually in general funds.	226,721	General Funds
1177	Department of Probation, Parole & Pardon Services	Parole Board	We recommend combining the parole boards at the Department of Juvenile Justice (DJJ) and the Department of Probation, Parole and Pardon Services (DPPP). The parole board at DPPP has seven members and a general fund budget of \$709,292 (including board support services). The DJJ parole board with ten members and a general fund budget of \$753,208, hears far fewer cases per year. Merging the parole boards should save around \$425,000 annually in general funds.	154,885	General Funds
1178	Department of Probation, Parole & Pardon Services	Parole Board	We recommend combining the parole boards at the Department of Juvenile Justice (DJJ) and the Department of Probation, Parole and Pardon Services (DPPP). The parole board at DPPP has seven members and a general fund budget of \$709,292 (including board support services). The DJJ parole board with ten members and a general fund budget of \$753,208, hears far fewer cases per year. Merging the parole boards should save around \$425,000 annually in general funds.	43,394	General Funds
1058	Department of Public Safety	Highway and Traffic Enforcement	We recommend the elimination of Proviso 49.1, which prevents the Department of Public Safety from charging a fee for providing traffic control at football games and other special events. Last year DPS spent \$983,133 providing these services, but was not allowed to recover these costs.	983,133	General Funds
1058	Department of Public Safety	Highway and Traffic Enforcement	We recommend that oil in state vehicles be changed every 5,000 miles (per the manufacturer's recommendation) instead of every 3,000 miles (as recommended by oil-change shops). The state of Arizona has implemented this recommendation, and realized cost savings. If S.C. were to do so, we would realize cost savings of \$46,630.	46,630	General Funds
			<b>Cost Savings Subtotal</b>	<b>2,790,577</b>	



Improve the Efficiencies and Effectiveness of Central State Government Support and Other Governmental Services					
Activity Number	Agency Name	Activity Name	Rationale	Savings Amount	Source
<b>SAVINGS PROPOSALS</b>					
Multiple Activities	All Agencies with TERI employees		The first class of TERI participants hit the five-year mark this past calendar year. We recommend that the agencies do not hire the majority of these employees back as many agencies already plan to do - and disburse job duties among remaining employees, while also hiring new individuals who will be trained for the long-run.	17,180,713	Hiring to replace TERI employees at the average salary for the agency. Reduction only for those agencies with TERI employees
Multiple Activities	All Agencies	Two Day Statewide Furlough	Faced with mid-year budget cuts in FY 2008-09, many of our state agencies required their employees to take significant furloughs - some as many as 10 days. Because we have found significant cost savings in other areas, we are able to limit our employee furlough recommendation to only 2 days. Under our recommendation, every state employee will choose two state holidays that will be unpaid. Several states, including Utah, Maryland, New Jersey, and California, have already eliminated some state holidays to help close their budget deficits. Our proposal will result in cost savings of \$10 million.	10,000,000	General Funds
1	A01	Senate	We have long advocated shortening the legislative session, as many other states have already done. Shortening the session from 66 legislative days to 33 legislative days, as Senator Darrell Jackson has proposed, will result in a total cost savings of \$668,100.	182,000	General Funds
2	A05	House of Representatives	We have long advocated shortening the legislative session, as many other states have already done. Shortening the session from 66 legislative days to 33 legislative days, as Senator Darrell Jackson has proposed, will result in a total cost savings of \$668,100.	486,100	General Funds
6	A17	Legislative Printing, Info Tech Systems	Legislative Services provides printing services, research services, and information technology to all offices of the General Assembly. Some of these costs can be eliminated or reduced through greater use of electronic resources and the Internet, and by printing various resources less frequently.	100,000	General Funds
159	E23	Appellate/Indigent Defense	By capturing the administrative savings resulting from the consolidation of the Offices of Appellate and Indigent Defense that occurred during the FY 2005-06 legislative session, we can produce cost savings of \$268,701	268,701	General Funds
Multiple Activities	All Agencies	Central Travel Office	We propose the establishment of a Central Travel Office that will put us in line with federal government and other state travel guidelines. This office will be responsible for the purchase of bulk airline travel and mandate that agencies do not exceed the newly establish cap for hotel/motel purchases. The savings will be realized within each agency for the purchasing of cheaper airline tickets and the new limitation for reimbursement in lodging.	980,506	General Funds
	R44	Department of Revenue	The Department of Revenue, the State Museum, and the Confederate Relic Room are together housed at the former Columbia Mill. Currently, these agencies lease space at this state-owned building from the Budget and Control Board for \$12 per square foot. Because we believe that these agencies could operate and maintain their office space for less money, we recommend turning this building over to these agencies. This recommendation will result in total cost savings of \$558,700.	558,700	General Funds

	H95	State Museum	Lease Savings	The Department of Revenue, the State Museum, and the Confederate Relic Room are together housed at the former Columbia Mill. Currently, these agencies lease space at this state-owned building from the Budget and Control Board for \$12 per square foot. Because we believe that these agencies could operate and maintain their office space for less money, we recommend turning this building over to these agencies. This recommendation will result in total cost savings of \$558,700.	682,973	General Funds
	F03	B&C Board - Confederate Relic Room	Lease Savings	The Department of Revenue, the State Museum, and the Confederate Relic Room are together housed at the former Columbia Mill. Currently, these agencies lease space at this state-owned building from the Budget and Control Board for \$12 per square foot. Because we believe that these agencies could operate and maintain their office space for less money, we recommend turning this building over to these agencies. This recommendation will result in total cost savings of \$558,700.	49,267	General Funds
80	E04	Lieutenant Governor's Office	Executive Operations of the Lieutenant Governor's Office	To be clear, we are not eliminating funding for the Lt. Governor's Office. As we have said previously, we believe Lt. Governor Bob Peeler set a good example when he refused his Security Detail. Given our current budgetary circumstances, we believe Lt. Governor Peeler's is the correct approach.	112,173	General Funds
130	E16	State Treasurer's Office	Unclaimed Property Program	Supplement the administrative cost to the Treasurer's office with other funds from the unclaimed property revenue stream. The Unclaimed Property office could implement a 5% fee on claimed property to cover costs. Both Ohio and Texas have implemented such fees.	95,109	General Funds
Multiple Activities		Multiple Agencies	Nightly Custodial Services	GEAR reports recommendation #12. The Facilities Management Office of the General Services Division currently provides daytime custodial services five days a week for most buildings that they manage. The Facilities Management Office reports that it would be more efficient and cost effective to clean offices at night when they are not occupied, resulting in first year cost savings of \$1,000,000.	1,000,000	General Funds
Multiple Activities		Budget and Control Board	Procurement Office	During the Agency Budget Summit in October, many agency heads requested that the Procurement Office at the Budget and Control Board waive the MMO and ITMO fees during these difficult budgetary times. We agree and recommend the suspension of MMO and ITMO fees in FY 2009-2010.	1,704,237	General Funds
949	J04	DHEC	Reduce the DB2 system processing cost to DHEC.	Recommendation # 32 from the GEAR Report is that the Department of Health and Environmental Control (DHEC) processing costs for the DB2 database be reduced to the costs proposed to DHEC by IBM. We support this recommendation because we believe DHEC should be allowed to work directly with the vendor, and that other state agencies that use the current DB2 database should be allowed to choose whether to continue with their current arrangements or use more efficient arrangements. DHEC is currently paying \$1.7 millions per year to the state data center for DB2 processing. IBM has proposed that, for \$1 million in one-time costs, DHEC could get the same services for \$79,000 per year, resulting in cost savings of \$600,000 in FY 2009-10.	1,000,000	General Funds

Multiple Activities	All Agencies	Network Management Approach for Chiropractic Care	GEAR Commission Recommendation #56 calls for the State Health Plan to establish a network management approach along with a \$1,000 per participant maximum for chiropractic services. The State Health Plan currently offers unlimited chiropractic. As a result, chiropractic is now the leading professional specialty in terms of claims payout, costing over \$23 million last year. In order to provide more accountability in the system, the state health plan is currently adopting a network management approach for chiropractic care, as the GEAR report suggests. This option implements a plan for chiropractors to join the state health plan network and follow a specific set of guidelines in order to receive state business. If a plan member were to visit a chiropractor inside the state's network, he would only pay the copayment. The cost savings resulting from this change is \$4.7 million, which could also be passed on to state agencies in the form of lower insurance contribution rates. By limiting chiropractic care benefits to \$1,000 per participant, the state saves an additional \$8.3 million, for a total of \$13 million.	13,000,000	General Funds
Multiple Activities	All Agencies	EIP-State Health Plan	GEAR Commission Recommendation #55 calls to implement a plan that encourages State Health Plan members to fill routine prescription maintenance-drugs through mail-order pharmacies. Since it is less costly to fill prescriptions via mail order than in a retail setting, there are greater discounts on prescription drugs for the state and the plan members. If a member chooses to continue to purchase prescription maintenance-drugs from a retail pharmacy, then we recommend requiring the member to pay 50 percent of the drug cost after the third refill. According to the state's Pharmacy Benefits Manager, our state health plan uses mail orders for maintenance drugs less frequently than programs in other states.	4,911,000	General Funds
Multiple Activities	All Agencies	Cap Chiropractic Care	Gear Report recommendation # 56.	8,300,000	General Funds
Multiple Activities	Multiple Agencies	Reduce SCEIS Operating Funds	There are approximately 170 applications currently in place in state agencies that are scheduled to be replaced by the SCEIS. Funding for the operation of SCEIS will be provided by direct appropriation to the state CIO office for the support of that system. Once SCEIS comes online, all of these old systems will be turned off, and almost all of the functions will be assumed by the State CIO. It seems prudent to identify these funds and earmark them for return to the state treasury as SCEIS applications come on line. Agencies will be coming online intermittently, and this amount reflects savings to date.	3,770,550	General Funds
232	F03	Budget and Control Board	We recommend reviewing the bid protest process and determining solutions to make the protests less time-consuming and disruptive to agency operations. Creating a hierarchy of protests, so that not all are handled in the same manner, will allow agencies to continue awarding contracts for protests at certain priority levels. Further, this hierarchy will allow for quick analysis as to which protests warrant further consideration. Assessing a protest filing fee -- which will be refunded if the protest is upheld -- will encourage vendors to protest only when there is sufficient cause. This recommendation will produce first year cost savings of \$150,000	150,000	General Funds
223	F03	Budget and Control Board	Vacant Positions	308,307	General Funds
Multiple Activities	Multiple Agencies	Facilities Management Consolidate Columbia Maintenance Facilities	Recommendation # 8 from the GEAR Report suggests consolidating the seven repair facilities located in Columbia into no more than three. Implementing this recommendation will produce cost savings of \$2.1 million in FY 2009-10.	360,000	General Funds

270	F03	Budget and Control Board	Reduce the Board-wide Allocation	The fees that the Budget and Control Board divisions and offices pay for central administration increased dramatically earlier this decade, likely as a way to counteract mid-year budget cuts. In FY 2001, the fees totaled just under \$1.1 million, but that number doubled after FY 2002 and jumped again to over \$3 million in FY 2003. After topping out at \$3.2 million in FY 2005, the number has averaged around \$2.9 million the past two years. If every division within the Budget and Control Board – excluding the Retirement System – can find a way to reduce their own charges by a similar five percent, the total annual savings to the agencies and taxpayers of South Carolina would be approximately \$95 million. This process should start with the Executive Director reducing the Board-wide allocation by a minimum 5%. This would have a first year savings of \$145,000.	145,000	General Funds
Multiple Activities		All Agencies	5 day/30 Day Fleet Bid Structure	The state bid structure should be modified to provide for two bid prices: one for payment within five days of delivery and one for payment within thirty days of delivery. Currently, the state bid calls for payment within thirty days of delivery. However, a dealer is required to pay off his floor plan source within five days of delivery or that dealer will be "out of trust." Moreover, floor plan interest charges are significant, especially if allowed to run for the full thirty days allowed for payment. As the average floor plan cost is \$200 per vehicle, a dealer, knowing that he can be paid in a timely manner, can lower his bid by thirty days of floor plan expense. Estimating that this will only occur with half of the vehicles purchased equals an annual savings of \$200,000.	200,000	General Funds
Multiple Activities		Budget and Control Board	State Fleet management	We suggest adopting Recommendations #4 and #5 from the GEAR Report. Recommendation #4 suggests that vehicle acquisition bids should be revised to ensure lowest price-including rebates throughout the year. Recommendation #5 suggests modifying the bid structure to provide flexible bid prices. These changes will attract more bids and allow the state to benefit from competition. Implementation of Recommendations #4 and #5 will produce first-year savings of \$2,000,000.	2,000,000	General Funds
Multiple Activities		All Agencies	Travel	We recommend a 15% reduction in travel budgets for all agencies. Some of this funding could be recouped if the General Assembly would consider adjusting the gas per diem, which was raised from 44.5 cents/mile to 50.5 cents/gallon last year when gas prices were roughly \$3.79/gallon. Currently, gas is averaging \$1.41/gallon in South Carolina.	9,226,269	General Funds
Multiple Activities		State Agencies and Universities	Lobbyists	We have long advocated eliminating taxpayer-funded lobbying. We find it appalling that the South Carolina taxpayers pay for lobbyists who scavenge for ever-increasing amounts of taxpayer money. This unfortunate arrangement has helped spur the astronomical growth in state spending over the last four years. By eliminating these line items, we can realize immediate savings from lobbying fees and Columbia office space, but more importantly, we can realize future savings when state spending decisions are based on merit -- not on which agencies hire the best lobbyists.	1,589,706	General Funds
Multiple Activities		All Agencies	Insurance Reserve Fund	As a result of implementing the GEAR committee's Recommendation #15, the IRF opened the bidding for the property reinsurance broker contract to private brokers, which saved the state \$2.1 million. The new broker was able to obtain reinsurance on the secondary market, which saved an additional \$1.7 million. While we applaud the IRF for implementing this recommendation, these savings should be passed on to state agencies, which the IRF has not done to date.	2,881,247	General Funds

Multiple Activities		All CRP Agencies	CVRP Surcharge		GEAR report recommendation #6 suggests that the Commercial Vehicle Repair Program surcharge of 16% be lowered to a maximum of 13%, with a maximum cap of \$75.	115,000	General Funds
219	F03	Budget and Control Board	Eliminate TEMPO - Balance		While there may have been a lack of private temporary employee services in our state at one time, this is certainly not the case today. Many agencies, and even other divisions within the Budget and Control Board, use outside temporary staffing agencies because they are less expensive.	102,732	General Funds (See Activity 216 for Balance)
Multiple Activities		All agencies	Cell phone/pager use		In June 2008, the Legislative Audit Council (LAC) issued a report of state agency usage of cell phones and other wireless communication devices. This report found S.C. state agencies spent over \$7 million on cell phones, \$790,000 on pagers, and \$68,000 on satellite phones in FY 2005-06. Unfortunately, many agencies waste thousands per year on cell phones and other devices because the agencies' policies are inefficient or because the agencies fail to adequately monitor employees' usage. The LAC made recommendations that will reduce the state's total expenditures on cell phones and other devices. We recommend implementing the LAC report's recommendations, which will result in cost savings of \$800,000.	777,743	General Funds
					<b>Cost Savings Subtotal</b>	<b>82,238,033</b>	
<b>MAKING TOUGH CHOICES - BELOW THE LINE SAVINGS</b>							
215	F03	Budget and Control Board	Training and Development Services		This program can achieve self-sufficiency through reliance on other funds. Several services offered by the Budget and Control Board are supplemented by general fund dollars, but provide direct services to agencies. Any of these areas, especially those that have market competition, should price their services to be self-sufficient. If the cost charged to the agency were more transparent and truly reflected the cost of the service provided, the agency would be able to make a business decision to use that service or not.	461,229	General Funds
216	F03	Budget and Control Board	Temporary Employment Services		The Budget and Control Board provides a number of human resources services, including temporary employment services, to various state agencies--for a fee. In addition to the fees, the Board receives a general fund appropriation for these services. We propose removing the General Fund appropriation.	30,601	General Funds
217	F03	Budget and Control Board	Recruitment Services		Allow appropriate agencies to absorb this function.	95,635	General Funds
218	F03	Budget and Control Board	Workforce Planning		Allow appropriate agencies to absorb this function.	42,336	General Funds
229	F03	Budget and Control Board	Parking Services		The Budget and Control Board oversees the state's parking facilities. This program is funded by parking fee revenue and an appropriation of general funds. We believe this service can be performed more cost-effectively by the private sector. We recommend that the state enter into a lease agreement with private investors to operate and maintain the state parking facilities. Entering into a lease agreement will not only allow the state to eliminate this line in the budget, but will also save the state future costs of capital improvements to parking facilities. Additionally, the state will receive an up front payment from investors, which can be directed toward other state needs. Activity was ranked a low priority by the budget results team.	179,771	General Funds



1435, 1436	S60	Procurement Review Panel	Administration and Hearings	In order to streamline administrative procedure functions, eliminate duplication of effort, and provide further coordination of resources, we recommend transferring the authority and responsibilities of the Procurement Review Panel to the Administrative Law Judge (ALJ) Division. The Procurement Review Panel receives a limited number of protests each year—only 7 last year—and the ALJ Division can easily assume these functions.	110,876	General Funds
1791	E23	Commission on Indigent Defense	DUI Defense of Indigents	In 1993, Indigent Defense was established as a way for the state to help offset counties' expenses in death penalty cases. Since that time, growth in this program has far outpaced the growth in the number of death penalty cases in South Carolina. The role of the Indigent Defense Commission has morphed into one in which the state funds an ever-increasing portion of what had traditionally been -- and should continue to be -- the counties' responsibility. This additional funding also sends a problematic message. This state has the unfortunate distinction of being near the top of the nation in DUI-related deaths; given this fact, it seems odd that we dedicate substantial funds toward defending these offenses.	1,000,000	General Funds
1660	E23	Commission on Indigent Defense	Criminal Domestic Violence	In 1993, Indigent Defense was established as a way for the state to help offset counties' expenses in death penalty cases. Since that time, growth in this program has far outpaced the growth in the number of death penalty cases in South Carolina. The role of the Indigent Defense Commission has morphed into one in which the state funds an ever-increasing portion of what had traditionally been -- and should continue to be -- the counties' responsibility. This additional funding also sends a problematic message. This state has the unfortunate distinction of being near the top of the nation in domestic-violence-related deaths; given this fact, it seems odd that we dedicate substantial funds toward defending these offenses.	1,320,000	General Funds
				<b>Below the Line Savings Subtotal</b>	3,240,448	
				<b>TOTAL GOAL AREA SAVINGS</b>	85,478,481	
				<b>Total Cost Savings</b>	227,144,273	General Funds
				<b>Total Below the Line Savings</b>	47,724,773	General Funds
				<b>TOTAL FY 2009-19 Executive Budget Savings</b>	274,869,046	General Funds