

From: Broome, Darryl <dbroome@aging.sc.gov>  
To: Danny VaratDannyVarat@scstatehouse.gov  
Date: 11/6/2018 1:55:56 PM  
Subject: FW: E040 State Ombudsman Justification

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FYI

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From: Burton, Kenneth  
Sent: Tuesday, November 06, 2018 1:21 PM  
To: Carter, Lewis  
Cc: Broome, Darryl; Crosby, Lisa  
Subject: RE: E040 State Ombudsman Justification

Lewis,

Based on the data that provided, the agency had to pick up approximately \$116,302 in salaries in Fiscal Year 2008 for the Ombudsman Program by using federal funds. The amount that is required in the Fiscal Year 2019 and Fiscal Year 2020 is approximately \$124,072 that needs to be covered by state funds. The SC DHHS between FY2008 and 2009 stopped providing state funds of \$385,530; however, the agency was able to restore \$310,000, which netted a \$75,530 loss. I have factored what is needed for FY'2020 to make the program whole which is Agency Priority # 1 of the \$93,750 to begin it to today's cost and not in FY'08-FY'09. The salaries were comingled in FY'09 on the Appropriation Act. I was asked by the Agency Director, Darryl Broome, to keep our request for new funds to the necessary amount, which I fully support. We had several factors that have occurred to be addressed in FY'18:

- Required by Federal requirements to have a Nutritionist. The agency had to offer \$10,400 higher salary than projected to attract the candidate with the required qualifications.
- Required to have an Information and Referral Program Manager that is a critical component of the Older American Act and in accordance to South Carolina Agency Policy and Procedural Manual – Chapter 500, Section 502 A(B).
- The Ombudsman hired an Attorney to serve as the Legal Services Developer to comply with the Older Americans Act. The prior staff was not an attorney; however, was overseeing the legal services and reviewing contracts.
- Agency determined it was not cost effective to use a temporary agency to provide receptionist that continuously had to be trained and hired full-time staff.
- In accordance to ACL regulations 45 CFR 75, the agency director can only be paid with indirect cost. However, if South Carolina has any grant over \$200,000; the indirect cost is remitted to the state. The agency director salary had to be paid by state funds and not federal funds.
- The agency had to make a correction related to the Nursing Home Bed Locator funds because it had exceeded the award and will be able to cover salaries in the future, which was factored in determining the amount to request.
- Agency restructured to add two supervisors to provide better oversight. Instead of hiring an employee, an employee transferred from the statehouse to provide administrative services to the director and the Division of Community Resources.
- Agency lost the VA Directed Home and Community-Based Services and Emergency Rental Program, which was a total of \$92,002 loss in funding to cover salaries. The agency was able to assign other duties to the staff to prevent from having to lay off the staff.

- Transfer of an employee from the State House to the South Carolina Guardian ad Litem Program to assist in providing administrative support, which is part of the budget realignment
- In FY'19, South Carolina Guardian ad Litem Program did hire another program coordinator due to the caseload increase, which is part of the budget realignment.
- The agency has seen a reduction in turnover in the past two years that does not allow any extra funds to be available to cover other costs.
- According to the Administration for Community Living, the State Ombudsman staff that investigate complaints in DMH and DDSN facilities(a state requirement), are not eligible to be paid with federal funds due to:
  - o Supplanting since the program was already in existence
  - o State of South Carolina law requires mandatory reporting which is not permitted by federal requirements
  - o The federal definition of long-term care facilities and state requirements does not always match as qualified expenditures

The agency has taken the following steps to make allowable budget adjustments to minimize the amount of the request:

- o Eliminated two FTE positions from the state office in the State Ombudsman Program. The positions were moved to the AAA's to establish four regional positions to provide quicker response time as well as a reduction of the administrative and travel cost to the agency.
- o Adjusted the salary allocation of other qualified staff from state funds to federal and other funds.
- o Adjusted the State Ombudsman staff salaries from federal funds to state funds to ensure compliance.
- o Utilized carryforward funds to cover any shortage.
- o Requested a budget realignment for the Fiscal Year 2020 as well as move the funds to the proper classifications on the Appropriation Act.

Salary Analysis between FY'17 to Present:

Funds	FY'17	FY'18	FY'19
State	1,192,748.25	1,378,039.37	1,407,072.13
Federal	1,001,299.12	1,127,241.46	1,178,326.25
Other	92,001.71		
	<b>2,286,049.08</b>	<b>2,505,280.83</b>	<b>2,585,398.38</b>
<b>Difference:</b>		<b>219,231.75</b>	<b>80,117.55</b>
<b>Change Between Years</b>			
	<b>FY'17</b>	<b>FY'18</b>	<b>FY'19</b>
State		185,291.12	29,032.76
Federal		125,942.34	51,084.79
Other		(92,001.71)	-
		<b>219,231.75</b>	<b>80,117.55</b>

The agency had to take into account the entire Lieutenant Governor's Office on Aging salaries and expected fringe to compare to the current amount allocated along with all of the adjustments made to determine the amount of the request required. With all of the implementation of the actions taken to offset the amounts, the entire agency needs the \$128,000 to cover salaries and \$51,200 for fringe; whereas, the State Ombudsman program would currently be short the \$124,072 in salaries and \$47,148 in fringe alone. The agency was able to move some of the salaries of qualified staff to other federal grants and other staff paid with the state funds were able to be moved to federal grants due to their duties to offset the request. If the agency were not able to make the allowable adjustments, the amount of the request would have been higher.

If you need any additional information, please let me know. I want to ensure I provided all of the information and details as you requested.

Thanks,

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