

From: Soura, Christian
To: Baker, Josh <JoshBaker@gov.sc.gov>
Date: 10/30/2013 3:56:04 PM
Subject: FW: DOT Benefits Proviso

Nice.

CLS

Christian L. Soura
Deputy Chief of Staff

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From: Duncan, Debra
Sent: Wednesday, October 30, 2013 3:54 PM
To: Soura, Christian
Cc: Boles, Les
Subject: RE: DOT Benefits Proviso

Christian,

Les asked that I respond to your question on the history of proviso 84.4 (DOT: Benefits).

Original proviso was added in 1972-73 and only dealt with equal compensation and health insurance benefits. Proviso was not amended until 1996-97 when Senate Finance added the portion dealing with employee bonuses.

At that time the 10% carry forward proviso allowed for bonuses to be paid out of the general funds carried forward by the proviso, but since DOT basically had no general funds, they did not have the authority to pay bonuses from their other funds in the same manner. See below summary.

1996-97

69.5 AMEND (DOT: Benefits) Directs that Department of Transportation employees receive equal compensation increases and health insurance benefits provided to employees of the State generally. SFC: AMEND to provide for employee bonuses and require the amounts to be funded from DOT funds. *Allow DOT employees to be treated the same as employees funded through the General Fund as authorized by proviso 72.44.* FISCAL IMPACT: None on the General Fund. Funds would come from DOT funding sources. CONF: ADOPT Senate version.

Note: 72.44 was the 10% carry forward proviso which also allowed these funds to be used to provide bonuses to employees.

In 2005-06 the bonus portion of the 10% carry forward proviso was deleted and created as a new proviso that did not limit the source of funds used to provide an employee bonus. That proviso's current is number 117.59 in the new renumbered base for FY 14-15.

117.59. (GP: Employee Bonuses) State agencies and institutions are allowed to spend state, federal, and other sources of revenue to provide selected employees lump sum bonuses, not to exceed three thousand dollars per year, based on objective guidelines established by the Budget and Control Board. Payment of these bonuses is not a part of the employee's base salary and is not earnable compensation for purposes of employee and employer contributions to respective retirement systems. Employees earning \$100,000 or more shall not be eligible to receive bonuses under this provision.

Let me know if there is anything else you need.

Debra

Debra Duncan
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From: Boles, Les
Sent: Wednesday, October 30, 2013 2:33 PM
To: Duncan, Debra
Subject: Fwd: DOT Benefits Proviso

Can u research when this proviso was first put in budget

Sent from my iPhone

Begin forwarded message:

From: "Soura, Christian" <ChristianSoura@gov.sc.gov>
Date: October 30, 2013 at 12:27:50 PM EDT
To: "Boles, Les" <LBoles@budget.sc.gov>
Subject: DOT Benefits Proviso

Hi Les,

I asked staff to run-down the history of this proviso...the online budgets go back to FY 1996-97, and apparently, this one has been in the same form all the way back to that point. Do you know the history of this one? Thanks.

CLS

84.4. (DOT: Benefits) Employees of the Department of Transportation shall receive equal compensation increases, health insurance benefits and employee bonuses provided in this act for employees of the State generally. The amount will be funded from Department of Transportation funding sources.

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