

AGENCY NAME:	Housing Finance and Development Authority		
AGENCY CODE:	L32	SECTION:	42



Fiscal Year 2017-18 Agency Budget Plan

FORM A – SUMMARY

RECURRING FUNDS (FORM B DECISION PACKAGES)	My agency is submitting the following recurring decision packages listed in <u>priority order</u> (Form B):	
	9486 – Federal Funds, 9489 – Other Funds	
	For FY 2017-18, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting a net increase in recurring General Fund appropriations.
	<input checked="" type="checkbox"/>	Not requesting a net increase in recurring General Fund Appropriations.

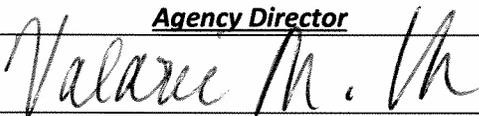
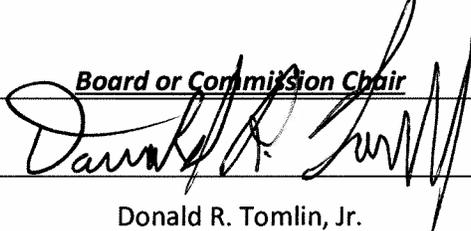
CAPITAL & NON-RECURRING FUNDS (FORM C DECISION PACKAGES)	My agency is submitting the following one-time decision packages listed in <u>priority order</u> (Form C):	
	For FY 2017-18, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting capital and/or non-recurring funds.
	<input checked="" type="checkbox"/>	Not requesting capital and/or non-recurring funds.

PROVISOS (FORM D)	For FY 2017-18, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
	<input checked="" type="checkbox"/>	Not requesting any proviso changes.

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

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Richard A Hutto, CPA	803-896-8664	Richard.Hutto@schousing.com
SECONDARY CONTACT:	B. Jay Wise, CPA	803-896-8577	Jay.Wise@schousing.com

I have reviewed and approved the enclosed FY 2017-18 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

SIGN/DATE:	<u>Agency Director</u> 	<u>Board or Commission Chair</u> 
	TYPE/PRINT NAME: Valarie M. Williams	Donald R. Tomlin, Jr.

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

AGENCY NAME:	Housing Finance and Development Authority		
AGENCY CODE:	L32	SECTION:	42

FORM B – PROGRAM REVISION REQUEST

DECISION PACKAGE	9486
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Provide the decision package number issued by the PBF system (“Governor’s Request”).

TITLE	Federal Fund Changes
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Provide a brief, descriptive title for this request.

AMOUNT	\$ 2,951,000
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What is the net change in requested appropriations for FY 2017-18? This amount should correspond to the decision package’s total in PBF across all funding sources.

ENABLING AUTHORITY	<p>New Federal Program - The Housing and Economic Recovery Act of 2008 (HERA) establishes a Housing Trust Fund (HTF) to be administered by HUD.</p> <p>Section 31-13-20 of the South Carolina Code of Laws established the Housing Authority.</p>
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What specific state or federal statutory, regulatory, and/or administrative authority established this program? Is this decision package prompted by the establishment of or a revision to that authority? Please avoid citing general provisions of law where possible, and instead cite to the most specific legal authority supporting the request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark “X” for all that apply:
	<input checked="" type="checkbox"/> (Base Adjustment) Allocation of statewide employee benefits.
	<input type="checkbox"/> (Base Adjustment) Realignment within existing programs and lines.
	<input type="checkbox"/> (Base Adjustment) Restructuring of agency programs – <i>requires pre-approval.</i>
	<input type="checkbox"/> IT Technology/Security related
	<input type="checkbox"/> Consulted DTO during development
	<input type="checkbox"/> Related to a Non-Recurring request – If so, Decision Package # _____
	<input checked="" type="checkbox"/> Change in cost of providing current services to existing program audience.
	<input type="checkbox"/> Change in case load / enrollment under existing program guidelines.
	<input type="checkbox"/> Non-mandated change in eligibility / enrollment for existing program.
	<input type="checkbox"/> Non-mandated program change in service levels or areas.
	<input checked="" type="checkbox"/> Proposed establishment of a new program or initiative.
<input type="checkbox"/> Loss of federal or other external financial support for existing program.	
<input type="checkbox"/> Exhaustion of fund balances previously used to support program.	

RECIPIENTS OF FUNDS	The Authority administers numerous Federal programs that assist moderate to very-low income families in South Carolina access affordable housing.
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

AGENCY NAME:	Housing Finance and Development Authority		
AGENCY CODE:	L32	SECTION:	42

ACCOUNTABILITY OF FUNDS	<p>1.1.1 - Increase the number of community and affinity groups in our database that align with our Agency mission by 10% by June 30, 2017</p> <p>1.2.2 - Maintain and enhance financial compliance monitoring reviews annually through utilization of control self-assessment processes to ensure participants' viability and adherence to program requirements</p> <p>2.2.3 - Complete quality control audits within Housing and Urban Development's prescribed timeframes</p>
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What specific agency objective, as outlined in the agency's accountability report, does this funding request support? How would this request advance that objective?

POTENTIAL OFFSETS	<p>Federal funds budgeted for a Program must be spent for administration or assistance as provided by Federal program rules.</p> <p>Some Federal Programs pay administrative costs through a fee-for-service and some through cost reimbursement</p>
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For decision packages that request non-mandatory funding increases to programs or initiatives, please identify a potential offset within an existing lower priority or ineffective program(s).

MATCHING FUNDS	<p>No, these are 100% funds earned by the Authority for administering federal housing programs. They are not matched.</p>
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Would these funds be matched by federal, institutional, philanthropic, or other resources? If so, identify the source, amount, and terms of the match requirement.

FUNDING ALTERNATIVES	<p>The Authority's administrative expenses are funded using earned funds to cover the costs of operating housing programs.</p>
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What other possible funding sources were considered? Could this request be met in whole or in part with the use of other resources, including fund balances? If so, please comment on the sustainability of such an approach.

AGENCY NAME:	Housing Finance and Development Authority		
AGENCY CODE:	L32	SECTION:	42

SUMMARY	<p>New Federal Program - The Housing and Economic Recovery Act of 2008 (HERA) establishes a Housing Trust Fund (HTF) to be administered by HUD will provide \$3,000,000 in Federal funds to create and preserve housing for low to very-low income families in South Carolina.</p> <p>The Authority's other Federally funded housing programs have increasing reporting requirements, administrative complexity and rising costs. This budget realignment is necessary to maintain the current level of effort expended to meet the program needs.</p>
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Using as much detail as necessary to make an informed decision regarding this request, provide a summary of the rationale for the decision package. Why has it been requested? How specifically would the requested funds be used? If the request is related to information security or information technology, explain its relationship to the agency's security or technology plan.

METHOD OF CALCULATION	<p>The increases and decreases were calculated based on the estimated budgets, department by department, needed to cover the costs of administering the Authority's housing programs.</p> <p>Decreased regulation or program size.</p>
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How was the amount of the request calculated? List the per unit or per FTE costs of implementation. What factors could cause deviations between the request and the amount that could ultimately be required in order to perform the underlying work?

FUTURE IMPACT	<p>None.</p> <p>The Authority's housing programs are self-supporting.</p>
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Will the state incur any maintenance-of-effort or other obligations by adopting this decision package? What impact will there be on future capital and/or operating budgets if this request is or is not honored? Has a source of any such funds been identified and/or obtained by your agency?

AGENCY NAME:	Housing Finance and Development Authority		
AGENCY CODE:	L32	SECTION:	42

PRIORITIZATION	<p>If the realignment of spending authority is not granted, the Authority will be forced to cut services to low and moderate-income clients.</p>
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If no or insufficient new funds are available in order to meet this need, how would the agency prefer to proceed? By using fund balances, generating new revenue, cutting other programs, or deferring action on this request in FY 2017-18? Please be specific.

INTENDED IMPACT	<p>The Authority will be able to properly administer these programs and meet reporting requirements during FY2017-2018.</p>
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What impact is this decision package intended to have on service delivery and program outcomes, and over what period of time?

PROGRAM EVALUATION	<p>The Authority evaluates all programs on an ongoing basis. Because these programs are self-supported through fee-for-service, any unsuccessful program will become de-funded over time.</p>
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How would the use of these funds be evaluated? What specific outcome or performance measures would be used to assess the effectiveness of this program?

AGENCY NAME:	Housing Finance and Development Authority		
AGENCY CODE:	L32	SECTION:	42

FORM B – PROGRAM REVISION REQUEST

DECISION PACKAGE	9489
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Provide the decision package number issued by the PBF system (“Governor’s Request”).

TITLE	Other Fund Changes
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Provide a brief, descriptive title for this request.

AMOUNT	\$ 429,000
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What is the net change in requested appropriations for FY 2017-18? This amount should correspond to the decision package’s total in PBF across all funding sources.

ENABLING AUTHORITY	Section 31-13-20 of the South Carolina Code of Laws established the Housing Authority.
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What specific state or federal statutory, regulatory, and/or administrative authority established this program? Is this decision package prompted by the establishment of or a revision to that authority? Please avoid citing general provisions of law where possible, and instead cite to the most specific legal authority supporting the request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark “X” for all that apply:
	<input checked="" type="checkbox"/> (Base Adjustment) Allocation of statewide employee benefits.
	<input type="checkbox"/> (Base Adjustment) Realignment within existing programs and lines.
	<input type="checkbox"/> (Base Adjustment) Restructuring of agency programs – <i>requires pre-approval.</i>
	<input type="checkbox"/> IT Technology/Security related
	<input type="checkbox"/> Consulted DTO during development
	<input type="checkbox"/> Related to a Non-Recurring request – If so, Decision Package # _____
	<input checked="" type="checkbox"/> Change in cost of providing current services to existing program audience.
	<input type="checkbox"/> Change in case load / enrollment under existing program guidelines.
	<input type="checkbox"/> Non-mandated change in eligibility / enrollment for existing program.
	<input type="checkbox"/> Non-mandated program change in service levels or areas.
	<input type="checkbox"/> Proposed establishment of a new program or initiative.
<input type="checkbox"/> Loss of federal or other external financial support for existing program.	
<input type="checkbox"/> Exhaustion of fund balances previously used to support program.	

RECIPIENTS OF FUNDS	The Authority administers numerous programs that assist moderate to very-low income families in South Carolina access affordable housing.
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

AGENCY NAME:	Housing Finance and Development Authority		
AGENCY CODE:	L32	SECTION:	42

ACCOUNTABILITY OF FUNDS	<p>1.2.2 - Maintain and enhance financial compliance monitoring reviews annually through utilization of control self-assessment processes to ensure participants' viability and adherence to program requirements</p> <p>3.1.2 - Maintain single-family lending through a new bond issuance and refunding, leading to production of 600 new first and second mortgages by June 30, 2017</p>
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What specific agency objective, as outlined in the agency's accountability report, does this funding request support? How would this request advance that objective?

POTENTIAL OFFSETS	<p>Some non-federal Program Payments / Allocations could be reduced and the funds used to cover increased administrative costs. This would result in fewer housing projects being funded.</p>
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For decision packages that request non-mandatory funding increases to programs or initiatives, please identify a potential offset within an existing lower priority or ineffective program(s).

MATCHING FUNDS	<p>No, these are 100% funds earned by the Authority for administering federal and other housing programs. They are not matched.</p>
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Would these funds be matched by federal, institutional, philanthropic, or other resources? If so, identify the source, amount, and terms of the match requirement.

FUNDING ALTERNATIVES	<p>The Authority's administrative expenses are funded using earned funds to cover the costs of operating housing programs.</p>
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What other possible funding sources were considered? Could this request be met in whole or in part with the use of other resources, including fund balances? If so, please comment on the sustainability of such an approach.

AGENCY NAME:	Housing Finance and Development Authority		
AGENCY CODE:	L32	SECTION:	42

SUMMARY	<p>The Authority’s “Other Funded” housing programs have increasing reporting requirements, administrative complexity and rising costs. This budget realignment is necessary to maintain the current level of effort expended to meet the program needs.</p>
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Using as much detail as necessary to make an informed decision regarding this request, provide a summary of the rationale for the decision package. Why has it been requested? How specifically would the requested funds be used? If the request is related to information security or information technology, explain its relationship to the agency’s security or technology plan.

METHOD OF CALCULATION	<p>The increases and decreases were calculated based on the estimated budgets, department by department, needed to cover the costs of administering the Authority’s housing programs.</p> <p>Decreased regulation or program size.</p>
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How was the amount of the request calculated? List the per unit or per FTE costs of implementation. What factors could cause deviations between the request and the amount that could ultimately be required in order to perform the underlying work?

FUTURE IMPACT	<p>None.</p> <p>The Authority’s housing programs are self-supporting.</p>
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Will the state incur any maintenance-of-effort or other obligations by adopting this decision package? What impact will there be on future capital and/or operating budgets if this request is or is not honored? Has a source of any such funds been identified and/or obtained by your agency?

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PRIORITIZATION	<p>If the realignment of spending authority is not granted, the Authority will be forced to cut services to low and moderate-income clients.</p>
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If no or insufficient new funds are available in order to meet this need, how would the agency prefer to proceed? By using fund balances, generating new revenue, cutting other programs, or deferring action on this request in FY 2017-18? Please be specific.

INTENDED IMPACT	<p>The Authority will be able to properly administer these programs and meet reporting requirements during FY2017-2018.</p>
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What impact is this decision package intended to have on service delivery and program outcomes, and over what period of time?

PROGRAM EVALUATION	<p>The Authority evaluates all programs on an ongoing basis. Because these programs are self-supported through fee-for-service, any unsuccessful program will become de-funded over time.</p>
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How would the use of these funds be evaluated? What specific outcome or performance measures would be used to assess the effectiveness of this program?