

Agency Name:	Secretary Of State's Office		
Agency Code:	E080	Section:	96



**Fiscal Year FY 2025-2026**

**Agency Budget Plan**

**FORM A - BUDGET PLAN SUMMARY**

**OPERATING  
REQUESTS**

*(FORM B1)*

For FY 2025-2026, my agency is (mark "X"):	
<input type="checkbox"/>	Requesting General Fund Appropriations.
X	Requesting Federal/Other Authorization.
<input type="checkbox"/>	Not requesting any changes.

**NON-RECURRING  
REQUESTS**

*(FORM B2)*

For FY 2025-2026, my agency is (mark "X"):	
<input type="checkbox"/>	Requesting Non-Recurring Appropriations.
<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
X	Not requesting any changes.

**CAPITAL  
REQUESTS**

*(FORM C)*

For FY 2025-2026, my agency is (mark "X"):	
<input type="checkbox"/>	Requesting funding for Capital Projects.
X	Not requesting any changes.

**PROVISOS**

*(FORM D)*

For FY 2025-2026, 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).
X	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>
<b>PRIMARY CONTACT:</b>	Melissa Dunlap	(803) 734-2157	mdunlap@sos.sc.gov
<b>SECONDARY CONTACT:</b>	Tracy Watford	(803) 734-1797	twatford@sos.sc.gov

I have reviewed and approved the enclosed FY 2025-2026 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

**SIGN/DATE:**

**TYPE/PRINT  
NAME:**

<u>Agency Director</u>	<u>Board or Commission Chair</u>
Mark Hammond	

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

Agency Name:	<u>Secretary Of State's Office</u>
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<u>BUDGET REQUESTS</u>			<u>FUNDING</u>					<u>FTES</u>				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Division of Public Charities - Administrative Assistant	0	0	66,606	0	66,606	0.00	0.00	1.00	0.00	1.00
2	B1 - Recurring	Other Funds Authorization Increase	0	0	150,000	0	150,000	0.00	0.00	0.00	0.00	0.00
3	B1 - Recurring	Other Funds Health and Pay Allocation	0	0	55,223	0	55,223	0.00	0.00	0.00	0.00	0.00
TOTALS			0	0	271,829	0	271,829	0.00	0.00	1.00	0.00	1.00

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# **FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	1
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>Division of Public Charities - Administrative Assistant</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$0</b>  <b>Federal: \$0</b>  <b>Other: \$66,606</b>  <b>Total: \$66,606</b>
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*What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	1.00
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark “X” for all that apply:</b> <input type="checkbox"/> Change in cost of providing current services to existing program audience <input checked="" 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 <input type="checkbox"/> IT Technology/Security related <input checked="" type="checkbox"/> HR/Personnel Related <input type="checkbox"/> Consulted DTO during development <input type="checkbox"/> Related to a Non-Recurring request – If so, Priority #
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<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark “X” for primary applicable Statewide Enterprise Strategic Objective:</b> <input type="checkbox"/> Education, Training, and Human Development <input type="checkbox"/> Healthy and Safe Families <input type="checkbox"/> Maintaining Safety, Integrity, and Security <input type="checkbox"/> Public Infrastructure and Economic Development <input checked="" type="checkbox"/> Government and Citizens
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<b>ACCOUNTABILITY OF FUNDS</b>	<p>The Secretary of State is responsible for the enforcement of the Solicitation of Charitable Funds Act. The request for an other funded FTE for an Administrative Assistant for the Division of Public Charities is necessary in order to meet the challenges with an increased volume of filings for charitable organizations and professional fundraisers. The requested \$66,606.00 includes fringe and the position would be funded with other funds and not state general funds.</p>
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*What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency’s accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?*

<b>RECIPIENTS OF</b>	The Secretary of State's Office Administrative Assistant FTE.
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**FUNDS**

*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?*

**JUSTIFICATION OF  
REQUEST**

The Secretary of State is responsible for the enforcement of the Solicitation of Charitable Funds Act. The addition of one other funded FTE would assist the Public Charities Division with the enforcement of the Solicitation of Charitable Funds Act. In FY 2023-24, 17,463 charitable organizations registered or filed annual applications for registration exemption with the Secretary of State's Division of Public Charities. Initial charity registrations increased by 8.7%, a 1.5% increase over the previous year. The Charities Division also filed over 3,000 professional fundraiser registrations, fundraising contracts, and joint financial reports. In FY2023-24 over 600 nonprofit organizations filed raffle registrations. The Division assisted 18,021 customers via telephone and 471 walk-in customers. The agency continued to collect fine revenue for violations of the Solicitation of Charitable Funds Act, and as a result, remitted over \$810,000 in fine revenue to the General Fund. The addition of one FTE would assist the Public Charities Division in fulfilling statutory requirements and providing customer service to assist individuals and charitable organizations filing with the agency.

*Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.*

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# **FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	2
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>Other Funds Authorization Increase</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$0</b>  <b>Federal: \$0</b>  <b>Other: \$150,000</b>  <b>Total: \$150,000</b>
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*What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	0.00
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark “X” for all that apply:</b>	
	<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
	<input checked="" type="checkbox"/>	IT Technology/Security related
	<input checked="" type="checkbox"/>	HR/Personnel Related
	<input type="checkbox"/>	Consulted DTO during development
	<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark “X” for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
	<input checked="" type="checkbox"/>	Government and Citizens

<b>ACCOUNTABILITY OF FUNDS</b>	<p>The request for an additional \$150,000 increase in spending authorization will support the agency with retention and recruitment efforts, along with information technology projects. Approximately \$120,000 of that increase would be dedicated to retaining employees. This funding will support recruitment efforts in light of several impending retirements and retention for existing employees.</p> <p>The remaining requested funding will be spent on information technology projects. The agency continues to expand its IT services for customers to provide up-to-date, secure, and convenient infrastructure and security.</p>
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*What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency’s accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?*

	Anticipated fund recipients would include staff for retention and recruitment. Other
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<b>RECIPIENTS OF FUNDS</b>	<p>recipients would include information technology vendors for IT equipment, upgrades, and small projects.</p> <p><i>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?</i></p>
<b>JUSTIFICATION OF REQUEST</b>	<p>The Secretary of State's Office returned over \$13.4 million over to the State General Fund last year. The office is requesting an increase of spending authority in the amount of \$150,000 in other funds. Part of this funding increase will be used to allow the agency to compete with other government agencies and private sector employees in the retention and recruitment of qualified employees to perform significant duties of the Secretary of State's Office.</p> <p>Secretary Hammond remains committed to providing online filing capabilities which are critical for our customers. With continuous enhancements to the many systems along with creating additional online services, the remaining requested funds would be committed to information technology needs of the agency.</p> <p><i>Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.</i></p>

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**FORM B1 – RECURRING OPERATING REQUEST**

AGENCY PRIORITY

3

Provide the Agency Priority Ranking from the Executive Summary.

TITLE

Other Funds Health and Pay Allocation

Provide a brief, descriptive title for this request.

AMOUNT

General: \$0

Federal: \$0

Other: \$55,223

Total: \$55,223

What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS

0.00

Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST

Mark “X” for all that apply:

X

Change in cost of providing current services to existing program audience

Change in case load/enrollment under existing program guidelines

Non-mandated change in eligibility/enrollment for existing program

Non-mandated program change in service levels or areas

Proposed establishment of a new program or initiative

Loss of federal or other external financial support for existing program

Exhaustion of fund balances previously used to support program

IT Technology/Security related

HR/Personnel Related

Consulted DTO during development

Related to a Non-Recurring request – If so, Priority #

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES

Mark “X” for primary applicable Statewide Enterprise Strategic Objective:

X

Education, Training, and Human Development

Healthy and Safe Families

Maintaining Safety, Integrity, and Security

Public Infrastructure and Economic Development

Government and Citizens

ACCOUNTABILITY OF FUNDS

This funding request will support all divisions of the agency that are staffed by employees whose compensation is supported by other funds. Therefore, all goals and strategies that the office seeks to meet would be impacted by the fulfillment of this funding request.

What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency’s accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF

Fund recipients will be the Secretary of State's Office employees whose compensation is supported by other funds, and who are eligible for health insurance.

**FUNDS**

*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?*

**JUSTIFICATION OF  
REQUEST**

The Secretary of State's Office has 16 FTEs supported by other funds. This funding request will support the Pay Plan Allocation (\$46,676) along with the increase to the employer portion of health insurance (\$8,547).

*Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.*



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

<b>TITLE</b>	Agency Cost Savings and General Fund Reduction Contingency Plan
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<b>AMOUNT</b>	\$47,046
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*What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.*

<b>ASSOCIATED FTE REDUCTIONS</b>	The Secretary of State's Office will plan to reduce one State FTE in association with this General Fund reduction.
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*How many FTEs would be reduced in association with this General Fund reduction?*

<b>PROGRAM / ACTIVITY IMPACT</b>	Administration and Employee Benefits are supported by these General Funds. Elimination of funding for an FTE would hinder the Secretary of State's Office in maintaining the staff levels required to fulfill the statutory mission of the agency.
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*What programs or activities are supported by the General Funds identified?*

<b>SUMMARY</b>	The agency has 18 FTE General Funded employees. Service delivery to customers would be directly impacted by the reduction of an FTE. Elimination of funding for an FTE would hinder the Secretary of State's Office in maintaining the staff levels required to fulfill the statutory missions of the agency. The 3% possible future cut would require moving a state-funded position to an other funded position. It would also prevent the office from filling any position that becomes vacant. This reduction in staff would impact the agency's ability to serve customers.
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*Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations and provide the method of calculation for anticipated reductions. Agencies should prioritize reduction in expenditures that have the least significant impact on service delivery.*

<b>AGENCY COST SAVINGS PLANS</b>	<p>The Secretary of State's Office continues to reduce costs to taxpayers by working with the state portal, Tyler Technologies, to provide online filing applications to our customers, such as the Uniform Commercial Code (UCC) and Business Filings Online applications.</p>
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*What measures does the agency plan to implement to reduce its costs and operating expenses by more than \$50,000? Provide a summary of the measures taken and the estimated amount of savings. How does the agency plan to repurpose the savings?*

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## FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

<b>TITLE</b>	Reducing Fines and Fees
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*Provide a brief, descriptive title for this request.*

<b>EXPECTED SAVINGS TO BUSINESSES AND CITIZENS</b>	Not applicable.
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*What is the expected savings to South Carolina's businesses and citizens that is generated by this proposal? The savings could be related to time or money.*

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

<b>METHOD OF CALCULATION</b>	Not applicable.
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*Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.*

<b>REDUCTION OF FEES OR FINES</b>	Filing fees in the Secretary of State's Office are mandated by statute. Any revisions will require statutory revisions from the General Assembly. The Secretary of State's Office returned over \$13.4 million to the General Fund in FY 2023-24 for fees collected.
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*Which fees or fines does the agency intend to reduce? What was the fine or fee revenue for the previous fiscal year? What was the associated program expenditure for the previous fiscal year? What is the enabling authority for the issuance of the fee or fine?*

<b>REDUCTION OF REGULATION</b>	Securities Division, 113-1 through 113-6 repealed by State Register Volume 41, Issue No. 5, Doc. 4649, effective May 26, 2017.
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*Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?*

<b>SUMMARY</b>	<p>The Secretary of State no longer administers the Securities Division, therefore the office formally began the process of repealing regulations 113-1 through 113-26 in March of 2016. The regulations were repealed effective May 26, 2017. There are no other regulations needing to be repealed at this time.</p> <p>The Secretary of State's Office filing fees are set by the General Assembly and cannot be reduced by the office. Additionally, most fees collected by the agency have not been increased for several decades and therefore have not maintained pace with inflation. The Secretary of State's Office returned more than 13.4 million to the General Assembly in FY 2023-24 for fees collected through providing services mandated by statute.</p>
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*Provide an explanation of the proposal and its positive results on businesses or citizens. How will the request affect agency operations?*