

Agency Name:	Department Of Vocational Rehabilitation		
Agency Code:	H730	Section:	32



Fiscal Year FY 2025-2026

Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS <i>(FORM B1)</i>	For FY 2025-2026, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting General Fund Appropriations.
	<input type="checkbox"/>	Requesting Federal/Other Authorization.
	<input checked="" type="checkbox"/>	Not requesting any changes.

NON-RECURRING REQUESTS <i>(FORM B2)</i>	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.
	<input checked="" type="checkbox"/>	Not requesting any changes.

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

PROVISOS <i>(FORM D)</i>	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).
	<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:	Sabrina Walker	(803) 896-6604	swalker@sevrdd.net
SECONDARY CONTACT:	Keri Dowd-Pugh	(803) 896-6506	kdowd-pugh@sevrdd.net

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

	<u>Agency Director</u>	<u>Board or Commission Chair</u>
SIGN/DATE:		
TYPE/PRINT NAME:	Felicia W. Johnson	Dr. Roxzanne Breland

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

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BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	C - Capital	Evaluation VR Center / State Office Repaving	150,000	450,000	0	0	600,000	0.00	0.00	0.00	0.00	0.00
2	C - Capital	ITTC/Rehabilitation Engineering Building Repaving	150,000	450,000	0	0	600,000	0.00	0.00	0.00	0.00	0.00
3	C - Capital	Dorm Building VR Center – Heat Pump Unit Replacement	73,750	221,250	0	0	295,000	0.00	0.00	0.00	0.00	0.00
TOTALS			373,750	1,121,250	0	0	1,495,000	0.00	0.00	0.00	0.00	0.00

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FORM C – CAPITAL REQUEST

AGENCY PRIORITY	1
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Evaluation VR Center / State Office Repaving
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Provide a brief, descriptive title for this request.

AMOUNT	\$600,000
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How much is requested for this project in FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.

CPIP PRIORITY	This proposed project is included in the CPIP submitted earlier this year. Plan Year 2, Overall priority 6 of 17.
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Identify the project's CPIP plan year and priority number, along with the first year in which the project was included in the agency's CPIP. If not included in the agency's CPIP, please provide an explanation. If the project involves a request for appropriated state funding, briefly describe the agency's contingency plan in the event that state funding is not made available in the amount requested.

OTHER APPROVALS	Additional approval would be required by the Joint Bond Review Committee (JBRC). In addition, this project will require approval by the Rehabilitation Services Administration (RSA), U.S. Department of Education.
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What approvals have already been obtained? Are there additional approvals that must be secured in order for the project to succeed? (Institutional board, JBRC, SFAA, etc.)

LONG-TERM PLANNING AND SUSTAINABILITY	<p>The Agency will use 75% federal funding (\$450,000) and 25% state funding (\$150,000) to fund this project pending appropriate approvals.</p> <p>Additional cost identified will be for the maintenance and care of the pavement which will be covered by the Agency's federal grant.</p> <p>The expected useful life will be between 20-25 years.</p>
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What other funds have already been invested in this project (source/type, amount, timeframe)? Will other capital and/or operating funds for this project be requested in the future? If so, how much, and in which fiscal years? Has a source for those funds been identified/secured? What is the agency's expectation with regard to additional annual costs or savings associated with this capital improvement? What source of funds will be impacted by those costs or savings? What is the expected useful life of the capital improvement?

LONG-TERM PLANNING AND SUSTAINABILITY	<p>The Agency is in need of repaving the parking lot at the Evaluation VR Center / State office. The facility is over 46 years old, and the asphalt has deteriorated beyond basic maintenance and repair. Subsurface investigations will be required to determine the depth and extent of deterioration of the existing paving prior to resurfacing. Exterior lighting will be added to the parking areas for increased safety and security.</p>
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SUMMARY

Provide a summary of the project and explain why it is necessary. Please refer to the budget guidelines for appropriate questions and thoroughly answer all related items.

Agency Name:	Department Of Vocational Rehabilitation		
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FORM C – CAPITAL REQUEST

AGENCY PRIORITY	2
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	ITTC/Rehabilitation Engineering Building Repaving
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Provide a brief, descriptive title for this request.

AMOUNT	\$600,000
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How much is requested for this project in FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.

CPIP PRIORITY	This proposed project is included in the CPIP submitted earlier this year. Plan Year 2, Overall priority 7 of 17.
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Identify the project's CPIP plan year and priority number, along with the first year in which the project was included in the agency's CPIP. If not included in the agency's CPIP, please provide an explanation. If the project involves a request for appropriated state funding, briefly describe the agency's contingency plan in the event that state funding is not made available in the amount requested.

OTHER APPROVALS	Additional approval would be required by the Joint Bond Review Committee (JBRC). In addition, this project will require approval by the Rehabilitation Services Administration (RSA), U.S. Department of Education.
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What approvals have already been obtained? Are there additional approvals that must be secured in order for the project to succeed? (Institutional board, JBRC, SFAA, etc.)

LONG-TERM PLANNING AND SUSTAINABILITY	<p>The Agency will use 75% federal funding (\$450,000) and 25% state funding (\$150,000) to fund this project pending appropriate approvals.</p> <p>Additional cost identified will be for the maintenance and care of the pavement which will be covered by the Agency's federal grant.</p> <p>The expected useful life will be between 20-25 years.</p>
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What other funds have already been invested in this project (source/type, amount, timeframe)? Will other capital and/or operating funds for this project be requested in the future? If so, how much, and in which fiscal years? Has a source for those funds been identified/secured? What is the agency's expectation with regard to additional annual costs or savings associated with this capital improvement? What source of funds will be impacted by those costs or savings? What is the expected useful life of the capital improvement?

LONG-TERM PLANNING AND SUSTAINABILITY	<p>The Agency is in need of repaving the parking lot at the ITTC/Rehabilitation Engineering Building. The facility is over 34 years old and the asphalt has deteriorated beyond basic maintenance and repair. Subsurface investigations will be required to determine the depth and extent of deterioration of the existing paving prior to resurfacing. Exterior lighting will be added to the parking areas for increased safety and security.</p>
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SUMMARY

Provide a summary of the project and explain why it is necessary. Please refer to the budget guidelines for appropriate questions and thoroughly answer all related items.

Agency Name:	Department Of Vocational Rehabilitation		
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FORM C – CAPITAL REQUEST

AGENCY PRIORITY	3
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Dorm Building VR Center – Heat Pump Unit Replacement
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Provide a brief, descriptive title for this request.

AMOUNT	\$295,000
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How much is requested for this project in FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.

CPIP PRIORITY	This proposed project is included in the CPIP submitted earlier this year. Plan Year 2, Overall priority 9 of 17.
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Identify the project's CPIP plan year and priority number, along with the first year in which the project was included in the agency's CPIP. If not included in the agency's CPIP, please provide an explanation. If the project involves a request for appropriated state funding, briefly describe the agency's contingency plan in the event that state funding is not made available in the amount requested.

OTHER APPROVALS	Additional approval would be required by the Joint Bond Review Committee (JBRC). In addition, this project will require approval by the Rehabilitation Services Administration (RSA), U.S. Department of Education.
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What approvals have already been obtained? Are there additional approvals that must be secured in order for the project to succeed? (Institutional board, JBRC, SFAA, etc.)

LONG-TERM PLANNING AND SUSTAINABILITY	<p>The Agency will use federal funds – Internal Fund (\$221,250) and State Funds - Capital Reserve fund (\$73,750) to fund this project pending appropriate approvals.</p> <p>Additional cost identified will be for the maintenance and care of the heat pumps which will be covered by the Agency's federal grant.</p> <p>The expected useful life will be approximately 15 years.</p>
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What other funds have already been invested in this project (source/type, amount, timeframe)? Will other capital and/or operating funds for this project be requested in the future? If so, how much, and in which fiscal years? Has a source for those funds been identified/secured? What is the agency's expectation with regard to additional annual costs or savings associated with this capital improvement? What source of funds will be impacted by those costs or savings? What is the expected useful life of the capital improvement?

	The Agency is in need of replacing a total of 23 water source heat pump units with new energy-efficient units. The current units are out of date and costly to repair.
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SUMMARY

Provide a summary of the project and explain why it is necessary. Please refer to the budget guidelines for appropriate questions and thoroughly answer all related items.

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

TITLE	Agency Cost Savings and General Fund Reduction Contingency Plan
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AMOUNT	\$593,979
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What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.

ASSOCIATED FTE REDUCTIONS	None
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How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM / ACTIVITY IMPACT	<p>The Basic Service program makes purchases to assist our consumers in achieving a successful employment outcome. A reduction in our General Fund dollars totaling \$593,979 would impact our general consumer population and reduce the number of purchases from vendors for post-secondary training, on-the-job training, occupational and vocational training, customized employment, demand driven training and other services to support credential attainment.</p> <p>In addition, a reduction in General Funds would impact our Maintenance of Effort levels that could lead to a federal match penalty in future state fiscal years.</p>
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What programs or activities are supported by the General Funds identified?

SUMMARY	<p>The Amendments to the Rehabilitation Act of 1973 under Title IV of the Workforce Innovation and Opportunity Act (WIOA) of 2014 include performance measures tied to Vocational Rehabilitation services to people with disabilities. These measures include levels of competitive employment for consumers, success in maintaining that employment, median earnings, attainment of recognized credentials, measurable skills gains, and the Agency's effectiveness in serving employers.</p> <p>A reduction in the Basic Service Program consumer services purchases would have an impact on WIOA objectives including the focus on school-to-work transition services for youth.</p> <p>Funding that would be used to purchase direct consumer services from vendors for post-secondary training, on-the job training, occupational and vocational training, customized employment, demand driven training and other services to support credential attainment would be impacted.</p> <p>The Basic Service Program is a federal mandated program with a 78.7% federal and 21.3% state match. A reduction totaling \$593,979 in general fund money could lead to a reduction in federal dollars totaling \$2,194,655 (combined loss of funding totaling \$2,788,634). In SFY 2024, the average total cost per successful rehabilitation was \$19,817. Accordingly, with a combined loss of \$2,788,634, the agency could experience a decrease of approximately 141 successful employment outcomes for its consumers.</p>
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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.

**AGENCY COST
SAVINGS PLANS**

SCVRD's efforts in reducing expenditures will focus on the areas of Salaries/Contributions and operations and seek to minimize the impact on Consumer Services expenditures. Generally, we will utilize employee attrition and reassignments to achieve savings. Every position that becomes vacant is being reviewed to determine if and when it will be filled and when appropriate to restructure positions to best achieve WIOA performance measures and other agency goals.

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

TITLE	Return on Investment
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Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	In State Fiscal Year 2024, each successfully employed consumer will repay \$3.72 in taxes for each dollar spent on his/her rehabilitation. It will take 3.75 years for each rehabilitated consumer to repay the cost of their rehabilitation. The average net profit for taxpayers as a result of SCVRD services provided to consumers receiving an employment outcome is \$53,818.
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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.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:
	<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

METHOD OF CALCULATION	The SCVRD Cost Benefit Analysis Model is used at SCVRD for determining the benefit the State of South Carolina receives from each rehabilitated consumer. This automated report allows for information to be pulled directly from the consumer services caseload summary to amortize these costs over the rehabilitation period. The result is a report that shows entire consumer population or by referral source, disability, sex, age, and ethnicity. A validation study in October 2007, found that the model was viable and concluded that "the factors used for the cost benefit analysis provide a very conservative look at the benefits derived from rehabilitation."
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Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.

REDUCTION OF FEES OR FINES	Our Agency does not charge fees or fines.
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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?

REDUCTION OF REGULATION	The Amendments to the Rehabilitation Act of 1973 under Title IV of the Workforce Innovation and Opportunity Act (WIOA) of 2014 is the federal authority that created the Vocational Rehabilitation Program. Therefore, we do not have the authority to amend or delete federal regulations.
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Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

	People with disabilities who exit the program with a successful employment outcome enhance the quality of their lives and their families' lives by earning paychecks, lessening their reliance on government assistance, and stimulating the state's economy by paying taxes, making purchases, and ultimately contributing to the state's return on its investment in their services. Based on a cost benefit analysis it is estimated that these rehabilitated consumers will pay back over three dollars for every dollar spent on their services by becoming taxpayers instead of tax consumers.
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SUMMARY

Provide an explanation of the proposal and its positive results on businesses or citizens. How will the request affect agency operations?