AGENCY NAME:	**State Treasurer's Office**		
AGENCY CODE:	**E160**	**SECTION:**	**98**

Fiscal Year 2026-27 Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS *(FORM B1)*	**For FY 2026-27, my agency is (mark "X"):**	
	X	Requesting General Fund Appropriations.
	X	Requesting Federal/Other Authorization.
		Not requesting any changes.
NON-RECURRING REQUESTS *(FORM B2)*	**For FY 2026-27, my agency is (mark "X"):**	
		Requesting Non-Recurring Appropriations.
		Requesting Non-Recurring Federal/Other Authorization.
	X	Not requesting any changes.
CAPITAL REQUESTS *(FORM C)*	**For FY 2026-27, my agency is (mark "X"):**	
		Requesting funding for Capital Projects.
	X	Not requesting any changes.
PROVISOS *(FORM D)*	**For FY 2026-27, my agency is (mark "X"):**	
	X	Requesting a new proviso and/or substantive changes to existing provisos.
		Only requesting technical proviso changes (such as date references).
		Not requesting any proviso changes.

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

	Name	***Phone***	***Email***
PRIMARY CONTACT:	Michelle Corbett	(803) 734-3545	Michelle.Corbett@sto.sc.gov
SECONDARY CONTACT:	Cameron Larkin	(803) 734-2699	Cameron.Larkin@sto.sc.gov

I have reviewed and approved the enclosed FY 2026-27 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	Agency Director	***Board or Commission Chair***
SIGN/DATE:		
TYPE/PRINT NAME:	The Honorable Curtis M. Loftis Jr.	

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

Agency Name:	State Treasurer's Office
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BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	General Base Pay Increase and Employer Contributions	0	0	170,000	0	170,000	0.00	0.00	0.00	0.00	0.00
2	B1 - Recurring	Department of Administration IT Shared Services Rate Increase	154,000	0	0	0	154,000	0.00	0.00	0.00	0.00	0.00
TOTALS			154,000	0	170,000	0	324,000	0.00	0.00	0.00	0.00	0.00

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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY

1

Provide the Agency Priority Ranking from the Executive Summary.

TITLE

General Base Pay Increase and Employer Contributions

Provide a brief, descriptive title for this request.

AMOUNT

General: $0

Federal: $0

Other: $170,000

Total: $170,000

What is the net change in requested appropriations for FY 2026-2027? 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
X	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:	
	Education, Training, and Human Development
	Healthy and Safe Families
	Maintaining Safety, Integrity, and Security
	Public Infrastructure and Economic Development
X	Government and Citizens

ACCOUNTABILITY OF FUNDS

This increase in Other Funds authorization will allow the Agency to fulfill all goals, strategies and objectives as defined in its fiscal year 2025 Accountability Report.

2024-25 Accountability Report Goals 1 through 6.

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

State Treasurer's Office Other Funded employees who were eligible for the FY 2025-26 general base pay increase and the employer-related cost for the health insurance rate increase.

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 State Treasurer's Office is requesting an increase in Other Funds authorization for the salary and employer fringe costs associated with the 2% General Increase and 2025 Classification and Compensation reform authorized in the FY2025-26 Appropriations Bill along with the employer only health rate increase beginning in January 2026.

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

AGENCY PRIORITY

2

Provide the Agency Priority Ranking from the Executive Summary.

TITLE

Department of Administration IT Shared Services Rate Increase

Provide a brief, descriptive title for this request.

AMOUNT

General: $154,000

Federal: $0

Other: $0

Total: $154,000

What is the net change in requested appropriations for FY 2026-2027? 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
X	IT Technology/Security related
	HR/Personnel Related
X	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:	
	Education, Training, and Human Development
	Healthy and Safe Families
	Maintaining Safety, Integrity, and Security
	Public Infrastructure and Economic Development
X	Government and Citizens

ACCOUNTABILITY OF FUNDS

This increase in General Funds appropriation will allow the Agency to fulfill all goals, strategies and objectives as defined in its fiscal year 2025 Accountability Report.

2024-25 Accountability Report Goals 1 through 6.

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?

This increase in General Funds appropriation will be used to offset the increase in costs associated with shared

RECIPIENTS OF FUNDS	services provided to the State Treasurer's Office (STO) by the Department of Administration Office of Technology and Information Services.

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 South Carolina Department of Administration's Office of Technology and Information Services (OTIS) has undergone a third-party in-depth rates assessment of the shared services provided to agencies, including the STO. This analysis resulted in a rate adjustment for agencies due to rising IT support-related costs as well as other factors. The Department of Administration's OTIS notified the STO of the increased cost to the agency. These recurring state funds will allow the STO to meet the increased annualized cost for essential OTIS shared services.

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 D – PROVISO REVISION REQUEST

NUMBER	98.9 *Cite the proviso according to the renumbered list (or mark "NEW").*
TITLE	TREAS: Penalties for Non-reporting *Provide the title from the renumbered list or suggest a short title for any new request.*
BUDGET PROGRAM	Programs and Services *Identify the associated budget program(s) by name and budget section.*
RELATED BUDGET REQUEST	 *Is this request associated with a budget request you have submitted for FY 2026-2027? If so, cite it here.*
REQUESTED ACTION	Amend *Choose from: Add, Delete, Amend, or Codify.*
OTHER AGENCIES AFFECTED	The State Treasurer's Office and the Revenue and Fiscal Affairs Office. *Which other agencies would be affected by the recommended action? How?*
SUMMARY & EXPLANATION	The proposed amendment to proviso 98.9 includes compiled financial statements as an optional filing requirement. This change brings the proviso in compliance with the 2023 statute changes under Section 5-7-240 and Section 14-1-208 of the 1976 Code.

Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

N/A

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

PROPOSED PROVISO TEXT

98.9 (TREAS: Penalties for Non-reporting) If a municipality fails to submit the audited **or compiled** financial statements required under Section 14-1-208 to the State Treasurer within thirteen months of the end of their fiscal year, the State Treasurer must withhold all state payments to that municipality until the required audited **or compiled** financial statement is received.

If the State Treasurer receives an audit report from either a county or municipality that contains a significant finding related to court fine reports or remittances to the Office of State Treasurer, the requirements of Proviso 117.48 shall be followed if an amount due is specified, otherwise the State Treasurer shall withhold twenty-five percent of all state payments to the county or municipality until the estimated deficiency has been satisfied.

If a county or municipality is more than ninety days delinquent in remitting a monthly court fines report, the State Treasurer shall withhold twenty-five percent of state funding for that county or municipality until all monthly reports are current.

After ninety days, any funds held by the Office of State Treasurer will be made available to the State Auditor to conduct an audit of the entity for the purpose of determining an amount due to the Office of State Treasurer, if any.

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

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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
AMOUNT	$77,741 *What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.*
ASSOCIATED FTE REDUCTIONS	N/A *How many FTEs would be reduced in association with this General Fund reduction?*
PROGRAM / ACTIVITY IMPACT	The State Treasurer's Office General Funds assist the agency to support statewide Treasury Management and Banking services as well as administration of the Palmetto ABLE Savings Program. These funds also provide support services for Debt Management, Investment Management and the agency consumer programs which include the Future Scholar 529 College Savings Plan, Tuition Prepayment and Unclaimed Property Programs. Therefore, all state government agencies, colleges and universities, local governments, and the citizens of South Carolina are served by the use of these funds. *What programs or activities are supported by the General Funds identified?*
SUMMARY	Any reduction in General Funds to the State Treasurer's Office would negatively impact the Agency's ability to provide essential Treasury Management, Banking, and Palmetto ABLE Savings Program services to state government agencies, college and universities, local governments, and the citizens of South Carolina. A General Fund reduction would also negatively affect the ability to deliver essential support services that the Agency provides for its five major program areas: Treasury Management, Investment Management, Banking, Debt Management and Programs which includes the Unclaimed Property Program, College Savings Plans (Future Scholar 529 and Tuition Prepayment) and Palmetto ABLE Savings Programs.

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

The State Treasurer's Office continuously analyzes its personnel, processes and procedures to ensure the most effective and economic methods are being utilized. The agency will continue to review agency needs, processes and procedures to ensure expenditures are controlled while providing the necessary services to the State of South Carolina's state agencies, local governments, colleges and universities and the citizens of South Carolina.

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?